

perform agricultural work in the United States; to the Committee on Agriculture.

By Mr. PRIEST:

H. R. 5829. A bill to authorize the construction and equipment of a research laboratory building for the National Bureau of Standards, Department of Commerce; to the Committee on Interstate and Foreign Commerce.

H. R. 5830. A bill to amend the provisions of the State Public Health Service Act relating to grants to States for State and local health work, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. REED of New York:

H. R. 5831. A bill to exempt certain volatile fruit-flavor concentrates from the tax on liquors; to the Committee on Ways and Means.

By Mr. TALLE:

H. R. 5832. A bill to provide for the use of the assets of State rural rehabilitation corporations held in trust by the Secretary of Agriculture pursuant to transfer agreements with such corporations; to the Committee on Agriculture.

By Mr. TEAGUE:

H. R. 5833. A bill relating to full-time institutional trade and industrial training for veterans; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H. R. 5834. A bill to provide for the establishment of an additional service academy, and for other purposes; to the Committee on Armed Services.

By Mr. BATTLE:

H. R. 5835. A bill to provide for research in child life and for grants to States for maternal and child health and crippled children's services; to the Committee on Interstate and Foreign Commerce.

By Mr. BRAMBLETT:

H. R. 5836. A bill for the relief of the city of King, Calif.; to the Committee on the Judiciary.

By Mr. CURTIS:

H. R. 5837. A bill to change the name of Medicine Creek Reservoir in Frontier County of the State of Nebraska to Harry Strunk Lake; to the Committee on Public Lands.

By Mr. KENNEDY:

H. R. 5838. A bill to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, in reducing the inequalities of educational opportunities through public elementary and secondary schools, to provide for essential auxiliary school services for all school children, for the general welfare and for other purposes; to the Committee on Education and Labor.

By Mr. GRANGER:

H. R. 5839. A bill to facilitate and simplify the work of the Forest Service, and for other purposes; to the Committee on Agriculture.

By Mr. REED of New York:

H. R. 5840. A bill relating to the income tax treatment of military personnel who were taken as prisoners of war while serving in China; to the Committee on Ways and Means.

By Mr. MACK of Illinois:

H. J. Res. 330. Joint resolution authorizing the presentation of a statue of Abraham Lincoln to the Government of Venezuela; to the Committee on Foreign Affairs.

By Mr. MACK of Washington:

H. Con. Res. 115. Concurrent resolution relative to a special session of Congress; to the Committee on Rules.

By Mr. KLEIN:

H. Con. Res. 116. Concurrent resolution authorizing the printing of additional copies of the statement offered by Jackie Robinson, of New York, before the Committee on Un-American Activities; to the Committee on House Administration.

By Mr. LESINSKI:

H. Res. 306. Resolution to provide funds for the Committee on Education and Labor; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 5841. A bill for the relief of Magnus Viggo Agustsson; to the Committee on the Judiciary.

By Mr. BARRETT of Pennsylvania:

H. R. 5842. A bill for the relief of Mrs. Hudea Aida Goldberg; to the Committee on the Judiciary.

By Mr. BREEN:

H. R. 5843. A bill for the relief of Emil Blomfeld; to the Committee on the Judiciary.

By Mr. CHURCH:

H. R. 5844. A bill for the relief of Henrietta N. Jordan; to the Committee on the Judiciary.

By Mr. COLE of New York:

H. R. 5845. A bill for the relief of Francis J. Cleary, captain, United States Navy, retired; to the Committee on Armed Services.

By Mr. DAGUE:

H. R. 5846. A bill for the relief of Mrs. Lillian Coolidge; to the Committee on the Judiciary.

By Mr. JACKSON of Washington:

H. R. 5847. A bill with respect to national service life insurance in the case of the late Herbert Adolphson; to the Committee on the Judiciary.

By Mr. KARST:

H. R. 5848. A bill for the relief of Clarence Sudbeck; to the Committee on the Judiciary.

By Mr. McKINNON:

H. R. 5849. A bill for the relief of Samuel M. Kornegay; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5850. A bill for the relief of Miss Marguerite Deutsch; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 5851. A bill for the relief of Mrs. Toshiko Keyser; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1350. By Mr. CARROLL: Petition of Donald D. Pullen and 440 other signers, all residents of Colorado, that H. R. 2135 and H. R. 2136 be given the earliest possible consideration by Congress; to the Committee on Ways and Means.

1351. By Mr. JUDD: Petition of Miss Mary L. Stewart and other citizens of Minneapolis, Minn., in support of H. R. 2428 and a Senate counterpart of that measure; to the Committee on Interstate and Foreign Commerce.

1352. By Mr. LARCADE: Petition of the Acadia Parish Association of Commerce, of Crowley, La., to the Congress of the United States, relative to a transcontinental highway; to the Committee on Public Works.

1353. By Mr. MACK of Washington: Petition of Western Forest Industries Association regarding the proposed Forest Practices Act, S. 1820; to the Committee on Agriculture.

1354. Also, petition of Textile Workers Union of America, Local 188, Washougal, Wash., with reference to regulations on ECA lumber purchases; to the Committee on Foreign Affairs.

1355. Also, petition of Western Forest Industries Association recommending the revision of the Federal mining laws; to the Committee on Public Lands.

1356. Also, petition of Western Forest Industries Association urging an expansion and acceleration of the forest access road program; to the Committee on Public Works.

1357. By Mr. RICH: Petition of Lycoming County Medical Society in opposition to

compulsory health measures as exemplified in S. 1679, national health bill; to the Committee on Interstate and Foreign Commerce.

1358. By the SPEAKER: Petition of Mrs. Retta Herrmann and others, of Croydon, Pa., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1359. Also petition of Ivy I. Eisenhart and others, Shamokin, Pa., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1360. Also, petition of Mary E. Babcock and others, Bristol, S. Dak., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1361. Also, petition of Mrs. Jennie M. Hoyt, Miami Townsend Club, No. 1, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1362. Also, petition of Mr. and Mrs. George Fuller and others, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1363. Also, petition of Edna M. Dreyer and others, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1364. Also petition of Mr. J. J. Matson and others, Orlando, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1365. Also, petition of E. D. Kent and others, Orlo Vista, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1366. Also, petition of W. H. Singletary and others, Pinecastle, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1367. Also, petition of J. B. Gardner and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1368. Also, petition of Mrs. Laura Squires and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1369. Also, petition of R. C. Swope and others, Sanford, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, AUGUST 2, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. John R. Gray, minister, St. Stephen's Parish Church, Glasgow, Scotland, offered the following prayer:

Almighty and Eternal God, who hast given to those who speak our tongue a common love of justice and mercy, of freedom and democracy, prevent us from being quite unworthy of those who have suffered and died for these things in days gone by. Teach us humbly to seek Thy will for us, and for our world, and grant us the grace and strength to do it. Help us fearlessly to speak the truth as Thou shall grant us to see the truth, even if we

thereby lose the poor virtue of an apparent consistency, or the cheap accolade of popularity. This we ask for the sake of Him who is the way and the truth and the life, even Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. Lucas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 1, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On August 1, 1949:

S. 266. An act modifying a limitation affecting the pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care;

S. 811. An act to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration; and

S. 1080. An act for the relief of James A. Gordon.

On August 2, 1949:

S. 256. An act to amend the Interstate Commerce Act, as amended.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1505) to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947.

The message also announced that the House had passed the bill (S. 1745) to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 6, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended;

S. 1250. An act to amend the Institute of Inter-American Affairs Act, approved August 5, 1947; and

S. 1323. An act to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 163. An act to authorize Sacramento Valley irrigation canals, Central Valley project, California;

H. R. 1746. An act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes;

H. R. 2538. An act to authorize completion of the land development and settlement of

the Angostura unit of the Missouri Basin project, notwithstanding a limitation of time;

H. R. 3071. An act to authorize the Secretary of the Army to purchase certain property in Morgan County;

H. R. 3197. An act relating to the sale of the old Louisville Marine Hospital, Jefferson County, Ky.;

H. R. 3478. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Delmar Boulevard and Cole Street in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 3480. An act to authorize the Commonwealth of Kentucky to use for certain educational purposes lands granted by the United States to such Commonwealth for State park purposes exclusively;

H. R. 3637. An act to permit the sending of Braille writers to or from the blind at the same rates as provided for their transportation for repair purposes;

H. R. 3788. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico;

H. R. 3926. An act to rename a game sanctuary in the Harney National Forest as the "Norbeck Wildlife Preserve," and for other purposes;

H. R. 4025. An act to transfer control over Indian tribal funds to the Indian tribes;

H. R. 4403. An act to facilitate the administration by the Secretary of the Interior, in cooperation with other Federal, State, and local agencies, of the recreational uses of lands and waters within reclamation, flood-control, power, and other Federal reservoir projects;

H. R. 4569. An act authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa;

H. R. 4641. An act to authorize the Secretary of Agriculture to accept title to certain land owned or to be acquired by the county of Plumas, State of California, and in exchange therefor to convey to Plumas County certain land owned by the United States in said county;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5207. An act to amend section 50 of the Organic Act of Puerto Rico;

H. R. 5372. An act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Oahe Dam and Reservoir, Missouri River development, and for other related purposes;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings;

H. R. 5465. An act to amend section 4 (e) of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public improvement bonds;

H. R. 5535. An act to amend the Philippine Rehabilitation Act of 1946.

H. R. 5592. An act to authorize the cancellation, adjustment, and collection of certain obligations due the United States, and for other purposes; and

H. R. 5602. An act to strengthen and encourage the democratic forces in China by authorizing the Secretary of State to provide for the relief of Chinese students in the United States.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5238) to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Alken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Humphrey	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Connor
Butler	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Smith, N. J.
Donnell	Knowland	Sparkman
Douglas	Langer	Stennis
Downey	Lodge	Taft
Dulles	Long	Taylor
Eaton	Lucas	Thomas, Okla.
Ellender	McCarran	Thomas, Utah
Ferguson	McCarthy	Thye
Flanders	McClellan	Tobey
Frear	McFarland	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Malone	Williams
Gurney	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	
Hickenlooper	Millikin	

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate may be permitted to offer bills, joint and other resolutions, submit petitions and memorials, and present routine matters for the RECORD, as though the Senate were in the morning hours, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

GREETINGS TO FORMER PRESIDENT HOOVER ON HIS SEVENTY-FIFTH BIRTHDAY ANNIVERSARY

Mr. SMITH of New Jersey. Mr. President, I have a very pleasant responsibility today in offering a concurrent resolution. I hope all the Members of the

Senate will listen while I present it, and make a short statement in connection with it.

The VICE PRESIDENT. In view of the unanimous consent agreement, the Chair will ask unanimous consent that the Senator from New Jersey may make a brief statement in connection with the concurrent resolution he will present. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMITH of New Jersey. I thank the Vice President.

Mr. President, the Members of this body are to me a unique group.

We wrestle with each other on partisan issues. We even differ, and often publicly, within our own partisan ranks.

But there is ever an atmosphere of good sportsmanship and cordial friendship, and it is this something in our atmosphere which offsets many of the difficulties and frustrations that sometimes beset us.

Mr. President, I am making this statement because of the concurrent resolution I am about to offer and for the immediate consideration of which I shall ask unanimous consent. It is on a subject on which I am confident there will be unanimous accord among us all.

On August 10 next, the only living ex-President of the United States, the Honorable Herbert Hoover, will be 75 years of age. The Honorable CHRISTIAN A. HERTER, Representative from Massachusetts, and I, are introducing today simultaneously in the Senate and House of Representatives concurrent resolutions extending congratulations to our ex-President, Mr. Hoover, and wishing him many more years of useful public service.

Representative HERTER and I are among those who since World War I have been closely associated with Mr. Hoover in his world-wide humanitarian undertakings and accomplishments. We have had the privilege of knowing first hand the eagerness with which he has sought the welfare of his fellowmen. Because of this experience we feel privileged and honored in presenting this concurrent resolution to our respective Houses of Congress.

This concurrent resolution of birthday greetings is introduced by me in behalf of myself and the Senator from Illinois [Mr. LUCAS], representing the majority, and the Senator from Nebraska [Mr. WHERRY], representing the minority.

The concurrent resolution, which I shall presently send to the desk, reads as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby extends to the Honorable Herbert Hoover, our only living ex-President, its cordial birthday greetings on his seventy-fifth birthday and expresses its admiration and gratitude for his devoted service to his country and to the world; and that the Congress hereby expresses its hope that he be spared for many more years of useful and honorable service; And be it further

Resolved, That the Secretary of the Senate transmit a copy of this resolution to Mr. Hoover.

Mr. President, I send the concurrent resolution to the desk and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The Secretary will read the concurrent resolution.

The legislative clerk read the concurrent resolution (S. Con. Res. 59).

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and unanimously agreed to.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the delegates to the twenty-ninth annual convention of Civitan International, at Washington, D. C., favoring the so-called Hoover plan for Government reorganization; to the Committee on Expenditures in the Executive Departments.

A resolution adopted by the executive council, International Association of Machinists, Washington, D. C., urging Congress to either lower the retirement age in the social-security law or act to protect older workers against unfair and unjust discrimination because of age; to the Committee on Finance.

A telegram in the nature of a petition from the Chinese Emergency Relief Association of St. Louis, Mo., signed by Chung Mon Hung, president, and Yee Hing, secretary, praying that the principle of non-recognition be used against the Communist regime in China; to the Committee on Foreign Relations.

A resolution adopted by the Polish Falcons of America, of Pittsburgh, Pa., relating to the Polish boundaries and the giving to the Germans of certain Polish lands; to the Committee on Foreign Relations.

A resolution adopted by the Board of Supervisors of the City and County of Honolulu, T. H., favoring the enactment of legislation exempting the Territorial and city and county pensioners from paying Federal income taxes; to the Committee on Interior and Insular Affairs.

A resolution adopted by the delegates to the twenty-ninth annual convention of Civitan International, at Washington, D. C., protesting against any manifestation of subversive influence against our forms of government; to the Committee on the Judiciary.

A telegram in the nature of a memorial from the Board of Civil Rights Congress, of New York, N. Y., signed by George Marshall, chairman, remonstrating against the confirmation of the nomination of Tom Clark as a Justice of the Supreme Court of the United States; to the Committee on the Judiciary.

The memorial of the Stockton Annex Veterans' Association, of Stockton, Calif., remonstrating against the enactment of Senate bill 660, granting nonveteran employees of civil service with 10 years' service, equal rights with veterans; to the Committee on Post Office and Civil Service.

A letter in the nature of a petition from the Women's Democratic Study Club, of Long Beach, Calif., signed by Mrs. Walt Williams, corresponding secretary, praying for the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Dry Ridge Lions Club, of Dry Ridge, Ky., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Acadia Parish Association of Commerce, of Crowley, La., favoring the enactment of legislation providing a transcontinental highway from Jacksonville, Fla., to Los Angeles, Calif.; to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY:

From the Committee on Interior and Insular Affairs:

H. R. 2869. A bill to authorize an appropriation in aid of a system of drainage and sanitation for the city of Polson, Mont.; without amendment (Rept. No. 828).

From the Committee on Labor and Public Welfare:

S. Res. 140. Resolution to investigate the field of labor-management relations; without amendment (Rept. No. 827), and under the rule, referred to the Committee on Rules and Administration.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

H. R. 1516. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide annual automatic within-grade promotions for hourly employees of the custodial service; without amendment (Rept. No. 829); and

H. R. 2944. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide survivorship benefits for widows or widowers of persons retiring under such act; with an amendment (Rept. No. 830).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Labor and Public Welfare:

Milton W. Gwiner, and sundry other candidates for appointment and promotion in the Regular Corps of the Public Health Service.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

S. 2363. A bill to provide for a preliminary examination and survey for the construction of a channel, and other improvements for the Saugus River, Mass.; to the Committee on Public Works.

By Mr. MILLIKIN (for himself and Mr. JOHNSON of Colorado):

S. 2364. A bill to provide for the utilization as a national cemetery of surplus Army Department owned military real property at Fort Logan, Colo.; to the Committee on Armed Services.

By Mr. HUNT:

S. 2365. A bill to provide for placing under the Classification Act of 1923, as amended, certain positions in the municipal government of the District of Columbia; to the Committee on the District of Columbia.

PRINTING OF MANUSCRIPT ENTITLED "A DECADE OF AMERICAN FOREIGN POLICY: BASIC DOCUMENTS, 1941-49"

Mr. CONNALLY submitted the following concurrent resolution (S. Con. Res. 60), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That the manuscript entitled "A Decade of American Foreign Policy: Basic Documents, 1941-49," prepared at the request of the Senate Foreign Relations Committee by the staff of the Committee and the Department of State, be printed as a Senate document, and that 1,000 additional copies shall be printed for the use of the Committee on Foreign Relations of the Senate.

HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. CONNALLY submitted the following resolution (S. Res. 148), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Foreign Relations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, \$10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

NATIONAL HEALTH INSURANCE AND PUBLIC HEALTH PROGRAM—AMENDMENTS

Mr. MAGNUSON submitted amendments intended to be proposed by him to the bill (S. 1679) to provide a program of national health insurance and public health and to assist in increasing the number of adequately trained professional and other health personnel, and for other purposes, which were referred to the Committee on Labor and Public Welfare and ordered to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 163. An act to authorize Sacramento Valley irrigation canals, Central Valley project, California;

H. R. 3480. An act to authorize the Commonwealth of Kentucky to use for certain educational purposes lands granted by the United States to such Commonwealth for State park purposes exclusively;

H. R. 3788. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico;

H. R. 4025. An act to transfer control over Indian tribal funds to the Indian tribes;

H. R. 4403. An act to facilitate the administration by the Secretary of the Interior, in cooperation with other Federal, State, and local agencies, of the recreational uses of lands and waters within reclamation, flood-control, power, and other Federal reservoir projects;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5207. An act to amend section 50 of the Organic Act of Puerto Rico;

H. R. 5372. An act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Cahe Dam and Reservoir, Missouri River development, and for other related purposes;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings; and

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, T. H., to issue public improvement bonds; to the Committee on Interior and Insular Affairs.

H. R. 1746. An act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 2538. An act to authorize completion of the land development and settlement of the Angostura unit of the Missouri Basin project, notwithstanding a limitation of time;

H. R. 3926. An act to rename a game sanctuary in the Harney National Forest as the Norbeck Wildlife Preserve, and for other purposes;

H. R. 4641. An act to authorize the Secretary of Agriculture to accept title to certain land owned or to be acquired by the county of Plumas, State of California, and in exchange therefor to convey to Plumas County certain land owned by the United States in said county; and

H. R. 5592. An act to authorize the cancellation, adjustment, and collection of certain obligations due the United States, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 3071. An act to authorize the Secretary of the Army to purchase certain property in Morgan County;

H. R. 3197. An act relating to the sale of the old Louisville Marine Hospital, Jefferson County, Ky.;

H. R. 3478. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Delmar Boulevard and Cole Street, in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.; and

H. R. 4569. An act authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa; to the Committee on Public Works.

H. R. 3637. An act to permit the sending of braille writers to or from the blind at the same rates as provided for their transportation for repair purposes; and

H. R. 5465. An act to amend section 4 (e) of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

H. R. 5535. An act to amend the Philippine Rehabilitation Act of 1946; and

H. R. 5602. An act to strengthen and encourage the democratic forces in China by authorizing the Secretary of State to provide for the relief of Chinese students in the United States; to the Committee on Foreign Relations.

MOUNTING COST OF GOVERNMENT—STATEMENT BY SENATOR O'CONOR

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a statement by him regarding the mounting cost of government, which appears in the Appendix.]

RURAL TELEPHONES—STATEMENT BY SENATOR KERR

[Mr. KERR asked and obtained leave to have printed in the RECORD a statement made by him before the Committee on Agriculture and Forestry relative to rural telephones, which appears in the Appendix.]

RURAL ROADS—STATEMENT BY SENATOR KERR

[Mr. KERR asked and obtained leave to have printed in the RECORD a statement made by him before the Committee on Public Works relative to rural roads, which appears in the Appendix.]

STUDY COMMISSION ON ARKANSAS-WHITE AND RED RIVER BASINS—STATEMENT BY SENATOR KERR

[Mr. KERR asked and obtained leave to have printed in the RECORD a statement made by him before the Committee on Public Works relative to a study commission on the Arkansas-White and Red River Basins, which appears in the Appendix.]

OLD HANDS RUN GERMANY AGAIN—ARTICLE FROM UNITED STATES NEWS AND WORLD REPORT

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article entitled "Old Hands Run Germany Again," reported from Frankfurt, Germany, and published in the United States News and World Report of July 29, 1949, which appears in the Appendix.]

THE FARM PARITY QUESTION—EDITORIAL FROM ST. PAUL (MINN.) PIONEER PRESS

[Mr. THYE asked and obtained leave to have printed in the RECORD an editorial entitled "Football of Politics," published in a recent issue of the St. Paul (Minn.) Pioneer Press, which appears in the Appendix.]

SMOKE SCREEN OR WHAT?—ARTICLE BY THOMAS F. LAMON

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article entitled "Smoke Screen or What?" written by Thomas F. Lamon, and published in the Brandywine Record, Wilmington, Del., on July 27, 1949, which appears in the Appendix.]

BIG GOVERNMENT CAN SAVE MONEY BY DEALING WITH SMALL BUSINESSMEN

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial entitled "Could Be Better" published in the South Bend Tribune of South Bend, Ind., which appears in the Appendix.]

MOSCOW'S PEARL HARBOR—EDITORIAL FROM WASHINGTON DAILY NEWS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "Moscow's Pearl Harbor," published in the Washington Daily News on August 2, 1949, which appears in the Appendix.]

AT WHAT SHOULD A FARM BILL AIM?—EDITORIAL FROM CHRISTIAN SCIENCE MONITOR

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "At What Should a Farm Bill Aim?," published in the Christian Science Monitor of August 1, 1949, which appears in the Appendix.]

NEW SEAWAY PROPOSAL—EDITORIAL FROM CUMBERLAND (MD.) TIMES

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "New Seaway Proposal," published in the June 6, 1949, issue of the Cumberland (Md.) Times, which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF HON. TOM C. CLARK, OF TEXAS, TO BE AN ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, August 9, 1949, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Tom C. Clark, of Texas, to be an Associate Justice of the Supreme Court of the United States, vice Frank Murphy, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. Lucas the Committee on Labor and Public Welfare was authorized to sit during the session of the Senate today.

HOOVER COMMISSION RECOMMENDATIONS—COMMENTS BY ATTORNEY GENERAL CLARK

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement prepared by me and the comments of Attorney General Clark with reference to the Hoover Commission recommendations as they would affect the Department of Justice.

There being no objection, the statement and comments were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. McCLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

The Attorney General in a letter released today by Senator JOHN L. McCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, relative to the effect recommendations of the Hoover Commission would have on the Department of Justice, stated that "while the Hoover Commission did not submit a separate report on the Department of Justice, I favor the specific recommendations it made concerning this Department." Mr. Clark endorsed recommendations which would have the effect of cutting down the number of agencies reporting directly to the President, simplify existing executive regulations, and provide for the repeal of statutes which cause rigid control over administrative practices and impede progress in the development of good management. The Attorney General also favors:

"(1) the establishment of a clear line of authority as between and within the various executive agencies; (2) the decentralization into the operating agencies of budget and accounting functions as well as the recruitment and management of personnel; (3) the establishment of a top career position in each agency to provide continuity; (4) decentralization to the field of certain activities and consolidation in appropriate cases of departmental field offices; and (5) uniformity in regional and headquarters offices of various departments and making avail-

able to regional offices pooled administrative services."

In commenting on the personnel management report, the Attorney General approves decentralization from the Civil Service Commission to departments of recruiting and training of professional and specialized personnel, and cites the Federal Bureau of Investigation as an example of the value of such decentralization. As to the procedure for separation of incompetent employees outlined in this report, the Attorney General feels that in spite of the Hoover Commission's statement that its proposal would be a simple and clear-cut procedure, the Commission's recommendations would be equally as complicated as the present procedures and subject to the same delays, and indicates that further study is desirable.

The Attorney General agrees with the recommendations relative to the overhauling of the efficiency rating system, stating that the "position of the Commission on this matter seems well taken"; is of the opinion that more emphasis should be placed on efficiency and outstanding performance and less on length of satisfactory service with respect to reduction-in-force regulations; and that provisions for granting additional within-grade salary increases for outstanding services should be liberalized.

The Attorney General "agrees with the Commission that considerable progress can be made in revamping the present appropriation structure and changing the date of the budget submission," elaborating as follows:

"There is not enough flexibility to enable the head of a department or agency to consider the best possible utilization of the funds appropriated to his particular agency. I agree with the recommendation that the Office of the Budget should place greater emphasis on developing policies and standards to cover the preparation of estimates and less on the review by its own staff of the departmental estimates. The agency heads should have some power to make transfers between appropriations not only to achieve more efficient operation but to create economies through flexibility of funds."

The Department of Justice also agrees that the General Accounting Office should be restricted to auditing functions, and all accounting activities should be centered in the executive branch, commenting that "a great deal can be done to simplify and improve the reporting and accounting system in the Government."

The full text of the letter from the Attorney General follows:

OFFICE OF THE ATTORNEY GENERAL, Washington, D. C., July 1949.

HON. JOHN L. McCLELLAN,
Chairman, Committee on Expenditures
in the Executive Departments,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: In reply to your request of May 21, I am pleased to make the following comments relative to the reports of the Commission on Organization of the Executive Branch of the Government.

GENERAL MANAGEMENT

While the Commission did not submit a separate report on the Department of Justice, I favor the specific recommendations it made concerning this Department.

The recommendations which have to do with cutting down the number of agencies reporting directly to the President; the simplification of executive regulations; and the repeal of statutes which cause rigid control over administrative practices and impede progress in the development of good management in the executive agencies, appear to be wise. I also favor the proposals which deal with—

1. The establishment of a clear line of authority as between and within the various executive agencies;

2. The decentralization into the operating agencies of budget and accounting functions, as well as the recruitment and management of personnel;

3. The establishment of a top career position in each agency to provide continuity;

4. Decentralization to the field of certain activities and consolidation in appropriate cases of departmental field offices; and

5. Uniformity in regional and headquarters offices of various departments and making available to regional offices pooled administrative services.

PERSONNEL MANAGEMENT

It would appear that the decentralization from the Civil Service Commission to the departments of the recruitment and training of professional and specialized personnel peculiar to the needs of the department would contribute greatly to efficient operation. The Federal Bureau of Investigation has been most successful in the recruitment and training of its personnel and in the establishment of a fine career service.

This department agrees with the recommendation calling for drastic changes in the present efficiency rating system and the position of the Commission on this matter seems to be well taken.

Changes should be made in the reduction-in-force regulations so that the better employees will be retained while those of lesser efficiency will be dropped. While some weight should be given to length of satisfactory service, greater emphasis should be placed upon efficiency and outstanding performance.

The recommended procedure for separation for incompetence, while designated by the Commission as simple and clear-cut, would be equally as complicated as the present procedures and subject to the same delays. It would seem that further study should be given to this matter in order to actually simplify the procedures for involuntary separations.

With respect to the granting of within-grade salary increases, the Department agrees with the conclusions of the Commission and goes further in recommending that the provisions for granting additional increases for outstanding services should be liberalized.

OFFICE OF GENERAL SERVICES—SUPPLY ACTIVITIES

It appears wise to have a centralized organization to establish general policies on procurement services and to exercise some centralized control. However, I have some question whether actual purchasing, except in items of general use, should be centralized.

There is no doubt that existing statutes and regulations should be simplified by repeal or modification in order to provide greater flexibility in Government purchasing and service activities. This is a specialized field, and a great many of the problems under this heading could be solved by improved management and careful selection of specially qualified personnel.

BUDGET AND ACCOUNTING

This department agrees that considerable progress can be made in revamping the present appropriation structure and changing the date of the budget submission. There is not enough flexibility to enable the head of a department or agency to consider the best possible utilization of the funds appropriated to his particular agency. I agree with the recommendation that the Office of the Budget should place greater emphasis on developing policies and standards to cover the preparation of estimates and less on the review by its own staff of the departmental estimates. The agency heads should have some power to make transfers between appropriations not only to achieve more efficient operation but to create economies through flexibility of funds.

This Department agrees that the accounting functions belong in the executive branch

of the Government and that the General Accounting Office should be restricted to auditing functions. A great deal can be done to simplify and improve the reporting and accounting system in the Government. The simplification in appropriation structures would help in reducing accounting requirements. This Department has tried where possible to improve its accounting operations; however, such efforts have been restricted by regulations imposed by the several agencies now having authority in this field.

There appears to be justification for eliminating the practice of sending millions of expenditure vouchers and supporting papers to Washington and for establishing a spot-sampling process at the various places where the expenditure vouchers and papers are administratively checked. Judging from the success this Department has experienced with on-the-spot audit of pay rolls the extension of this procedure to all accounts and vouchers would be a great improvement.

Adopting some or all of the recommendations of the Commission would result in considerable savings but I am in no position at this time to say how much.

Sincerely,

TOM CLARK,
Attorney General.

OUR POLICY IN CHINA AND THE FAR EAST

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two editorials from the New York Times, one of Friday, July 29, 1949, entitled "The Clash on China Policy," and the other entitled "Toward a Far Eastern Policy," from the issue of Sunday, July 31, 1949.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of July 29, 1949]

THE CLASH ON CHINA POLICY

At the same time yesterday that Governor Dewey was making a frontal attack on what he described as the administration's "no policy at all" in respect to China, Secretary Acheson was indicating to the House Foreign Affairs Committee that this policy would not be changed. Governor Dewey called for prompt military aid to the Government of China to save it from being engulfed by the Communists. Secretary Acheson said that "in the judgment of everyone who has studied the matter, military assistance to China is not feasible at the present time."

Secretary Acheson's "everyone" obviously does not take in Governor Dewey. There is a direct clash of opinion and judgment here on one of the most vital aspects of our foreign policy and that clash might well be made the first item on the agenda of the new advisory group that Secretary Acheson proposes to set up to examine our Asiatic policies. The systematic examination of our policies will be pointless unless it leads to some sort of action. At the same time the proponents of action would agree that it should be based on sound examination.

The most hopeful thing in the program that Mr. Acheson announced was his statement that the consulting group would work closely with the proper congressional committees. This would be an improvement. Mr. Acheson must be aware of the fact that there is widespread dissatisfaction in Congress with our present course in the Far East. The Senate has indicated several times that it would like to take the lid off the Asiatic question but has been obliged to bow to pressure from the administration. Similarly there has not been even a pretense of keeping our bipartisan foreign front so far as the Orient is concerned. The very

creation of this new advisory group indicates a defensive attitude in the State Department and this attitude has been the response to criticism that arises not out of expressed differences of opinion so much as out of mistrust because no opinions were exchanged.

The plan to call in nongovernmental consultants may or may not inspire public confidence. It will depend on who the consultants are. If they are persons who have associated themselves in the past with some of the apparent points of view in the Department their presence will suggest that they are mere window dressing for more of the same. More of the same is something that the Congress and a large part of the public definitely do not want.

Public confidence will likewise be affected one way or the other by the tone of the forthcoming white paper. If, as the Chinese fear, it turns out to be chiefly a recapitulation of the by now threadbare accusations against the Government of China in an effort to justify the various actions or inactions of the past there will be the same feeling of futility and mistrust that evoked Governor Dewey's attack. If there is to be a paper on China, it ought to be a white paper, not a whitewash paper. If there is to be a policy on China, it must be concerned primarily with the possibilities of the future rather than the mistakes of the past.

It is on those possibilities that Governor Dewey and Secretary Acheson have clashed. What can be done, and what ought to be done? "It is my firm conviction," Governor Dewey said, "that with a small fraction of what a new war would cost we could provide the skills and resources which we might reasonably hope could still save China." Secretary Acheson does not share that conviction or that reasonable hope.

Manifestly, then, the first job of this new advisory group ought to be to explore, not discard, the basis for Governor Dewey's conviction. That should be done at once, for if any action is to be taken it should be taken quickly. The Chinese Communists have shown no inclination to wait for the dust to settle or to wait until the minutiae of policy are subjected to interminable analysis. Time is not on our side in China.

[From the New York Times of July 31, 1949]

TOWARD A FAR-EASTERN POLICY

The announcements concerning the formation of an advisory group to study our Asiatic policy have emphasized that the study will be on a broad regional basis. It is felt, presumably, that only in that way can we escape being trapped in fruitless controversy at a number of specific points. Obviously this will not meet the demand for prompt and effective action, but it should lay the basis, over a period, for wise and consistent courses.

There is reason for gratification in the fact that men of real distinction have been chosen to act as advisers. None of them is a far-eastern specialist, but the public is likely to feel that a board composed of Ambassador at Large Philip C. Jessup, Raymond B. Fosdick, former president of the Rockefeller Foundation, and Dr. Everett Case, president of Colgate University, should be able to bring discretion, wisdom, and breadth of vision to the task.

At the moment, however, there are, in addition to the broad regional problems involved, a number of specific sore spots that require treatment. From the large point of view, east Asia has two big related problems: First, how to stop Communist aggression; and, second, how to effect a general and substantial increase in standards of living. Naturally, a long-range policy will undertake to deal with those problems as well as to express our desire for peace, prosperous trade, and political growth. But in the meantime we

will also be obliged to meet some difficult situations.

In China, for example, our diplomatic and consular officials are, at this instant, virtual prisoners of the Communists. Other American citizens are in grave peril. Manifestly, the whole idea of our staying in China along with the Communists and seeing how we would work things out is bankrupt. Something else has to be done, and it won't wait for a regional survey.

Similarly, we are confronted with the urgent need for assistance to Korea if the Republic is to survive. That is part of the broad and long-range policy of opposing Communist aggression, but it is also a focal point of instant danger.

Fortunately, not all the immediate problems are as critical as these. The forthcoming visit of President Quirino, of the Philippines, will raise some questions about our relation to the Philippine Republic and what further assistance we can and should give. The recent talks between President Quirino and President Chiang Kai-shek will doubtless be reviewed, perhaps to our embarrassment.

At some other points in Asia there is a notable decrease in tension. In Indonesia, for example, the formal cease fire has been fully agreed upon. We have been gravely concerned about the whole Indonesian problem, its relation to the Netherlands economy and to ours, to the European aid program and to the United Nations. In that region now much progress has been made, peace is being restored, and the Dutch and the Indonesians are going forward with their plans for a conference on sweeping political changes.

In the same week a cease-fire line has been agreed upon between Pakistan and India in the Kashmir dispute, and there are better prospects for an ultimate settlement than there seemed to be a short time ago. The situation is one for continuing concern, but the outlook is improving. In Burma, on the other hand, there is profound disorder and the threat of even greater trouble if the Chinese Communists can get to the Burma border.

Some of these situations will have to be met on a day-to-day rather than a long-term basis. They are, nevertheless, reflections of problems that may be approached from a regional viewpoint and with a definite set of principles. The naming of this new consultative group is in itself a confession that we have not had such a viewpoint nor followed such principles in the recent past.

THE STRIKE IN HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a brief editorial entitled "A Truth for Americans," published in the Omaha Evening World-Herald of July 30, 1949. It deals with the strike in Hawaii.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A TRUTH FOR AMERICANS

London's Communist-fomented dock strike has ended and the strikers are back at work. But before the incident passes into history it would be worth while for the American people to have a long look at the facts of the case.

The strike grew out of dispute between two Canadian unions—the Canadian Seaman's Union, which is Communist-dominated and allied with Harry Bridges' International Longshoremen's and Warehousemen's Union (CIO), and the Seafarers International Union (AFL).

Two ships handled by the Seafarers dropped anchor in London. The Communist Seaman's Union promptly declared them "black"—that is, operated by strikebreakers.

Communists among the London dockers persuaded their fellow workmen that anyone who went near the Canadian ships would be betraying one of the basic canons of working class loyalty. Port employers demanded, with perfect legality, that the Canadian ships be unloaded in their turn. The Communists twisted this into a "lock-out." Soon London's 15,000 dockers were idle.

Cabinet ministers of the Labor Government, many of them trade-unionists themselves, pleaded with the dockers to go back to work. So did the officers of the Transport Workers Union, to which the dockers belong. The strikers preferred to heed the Communists.

The Labor Government, which in 1946 had repealed Britain's Trade Disputes Act, on the ground that labor had become completely responsible, was then compelled to go to King George for a declaration of emergency. The Labor-dominated Parliament upheld the Government with only four dissenting votes—those of Communists or fellow-travelers. The Government sent troops to unload ships, and the strike finally collapsed.

Harry Bridges' strike that has tied up Hawaii for almost 3 months is part and parcel of the same business. Because the Truman administration, unlike the British Labor Government, has taken no firm stand, the strike continues and Hawaii is prostrate.

Plainly, there is an international Communist conspiracy to seize control of shipping and port facilities, and to use that control in the interest of communism's holy land, Russia. Plainly, if the democratic nations are not to find themselves strangled at some critical time, they will have to do something about it.

So long as labor unions, in critical areas and industries, permit themselves to be bamboozled by Communist leadership, the so-called right to strike should be limited by public authority.

That is a truth which a majority of the Members of Congress evidently understand, but which the Truman administration, for reasons of politics, refuses to face.

ADMINISTRATION OF CERTAIN INDIAN LANDS IN NEW MEXICO

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1323) to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncito Navajo group in New Mexico, and for other purposes, which were, on page 3, line 7, after "Register", to insert a colon and the following proviso:

Provided, That before said boundaries and descriptions are published in the Federal Register as herein provided, the Secretary of the Interior may correct any clerical errors in section III of said memorandum of information, and shall revise the same so as to define the areas on that portion of the lands conveyed by this act and known as Bell Rock Mesa used and occupied respectively by the Laguna Pueblo Indians and the Canoncito Navajo Indians.

On page 3, to strike out lines 20 to 24, inclusive, and on page 3, line 25 to strike out "4" and insert "3."

Mr. ANDERSON. Mr. President, I move that the Senate concur in the House amendments. I should like to add not to exceed 20 or 30 words of explanation.

Mr. WHERRY. Mr. President, is this a unanimous-consent request?

The VICE PRESIDENT. No. The motion is in order.

Mr. WHERRY. Is this a conference report?

The VICE PRESIDENT. No. It is a message from the House of Representatives with regard to House amendments to a Senate bill.

Mr. WHERRY. I have no objection.

Mr. ANDERSON. Mr. President, the second amendment, striking out section 3 of the bill as it passed the Senate, was adopted by the House committee solely for the reason that the basic law relating to the administration of trust lands gives the Secretary sufficient authority to administer the lands covered by the bill in the same manner as other Indian lands are administered. It was feared that the last part of the section might be interpreted as vesting additional or broader authority in the Secretary of the Interior.

I renew my motion that the Senate concur in the House amendments.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, yesterday I made the statement that we would probably displace House bill 4177 with the ECA appropriation bill. However, I learn from talking with the Senator from Wyoming [Mr. O'MAHONEY] who is in charge of the independent offices appropriation bill, that he is of the opinion that we may be able to dispose of that bill early this afternoon. We have reached page 57, as I understand, and are now ready to consider the appropriation for the Veterans' Administration.

It is my hope that the Senate may speed up matters a little with respect to this appropriation bill. I find that we have been almost 5 days on this one bill. While I do not underestimate the importance of this measure—and all appropriation bills are important—Senators are constantly asking me, "When are we going home? When are we going to adjourn?"

We are now about 5 weeks behind on appropriation bills alone, and it looks as though we shall be another 2 weeks on appropriation bills. Certainly we must get the appropriation bills out of the way before we can seriously discuss the question of an early adjournment.

I hope we may be able to finish this bill with all convenient speed. We took practically all afternoon yesterday on one amendment. Perhaps it was necessary to do that. I am not trying to tell the Senate what it should or should not do. I am only making an elemental plea for a little speed, if we can possibly obtain it. I do that in view of the number of Senators who are continually asking me about an early adjournment. I do it especially in view of what one Senator said recently to the press about the Senate being "slap-happy" and "punch-drunk." He said that we ought to have a "seventh inning stretch." I do not know what he means by all that. Perhaps he will explain it to us some time when he returns to the Senate. As I understand, he has not been here since he made that statement. I should like to have him elaborate on it a little, because I am sure that there are a number of Senators who would like to comment on that subject

whenever he makes his valedictorian address on that very important topic.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. It is the understanding, then, that when the Senate concludes consideration of House bill 4177, it will proceed with the foreign aid bill?

Mr. LUCAS. The Senator is correct. I do not like to displace the independent offices appropriation bill, and I am sure that the distinguished Senator in charge of the bill [Mr. O'MAHONEY] would like to see us finish it before we take up the ECA bill.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, under the heading "Veterans' Administration," on page 58, line 2, after the word "equipment", to strike out "\$820,673,940" and insert "\$845,073,940."

Mr. O'MAHONEY. Mr. President, I feel that we have now reached the point in the consideration of this bill where we may speedily dispose of what remains. I think there is very little of a controversial character left so far as the committee amendments are concerned. There may be some amendments offered from the floor. I have been given to understand that some Members of the Senate will desire to offer amendments; but even so, I doubt whether they will be of a character which will provoke debate.

Mr. President, in the original consideration of this bill the committee recommended an appropriation of \$845,073,940, on page 58, in line 2, for administration, medical, hospital, and domiciliary services. After the committee report was made, however, an additional estimate in the amount of \$16,000,000 was received by the committee. That additional estimate was called to the attention of the Appropriations Committee, and the chairman was authorized to report the amendment with an increase of \$16,000,000 in the budget estimate. So the amount in line 2 on page 58 should read "\$861,073,940." I offer that as an amendment to the committee amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment on page 58, line 2.

Mr. O'MAHONEY. Mr. President, before we proceed to the consideration of this amendment, in view of the importance of this item in the bill, I desire to invite the attention of Senators to the fact that the independent offices appropriation bill, which carries amounts in excess of \$7,636,000,000, carries also an appropriation of \$5,603,907,940 for the Veterans' Administration alone. In other words, the appropriation for the

Veterans' Administration accounts for the great bulk of the huge sum carried in this bill.

In order that Senators may know how important that is, and how far-flung the activities of the Veterans' Administration are, I wish the RECORD to show that there are in 47 States and in the District of Columbia 130 veterans' hospitals. There are 70 regional offices. Every State in the Union, including the District of Columbia, has such an office. There are 461 Veterans' Administration offices scattered throughout the United States, with officers in charge. There are 13 domiciliary homes and centers. In all, the total number of field stations now open is 711. These activities are scattered throughout the United States. I think the figures themselves give one a comprehension of the complete coverage of this facility.

There were under hospital treatment, as of May 31, 1949, 107,866 patients. These patients are under treatment for all types of disease, including neuropsychiatric. The domiciliary care is one of the important functions of the Veterans' Administration.

The reason for this additional appropriation of \$16,000,000, which is offered by authority of the committee, is in order to service the new hospitals which presently will be opened.

The Director of the Bureau of the Budget in his letter of July 15 to the Senator from Wyoming said:

The additional 16,000,000 now requested will provide for the average employment of 5,000 for the medical, hospital, and domiciliary activities which will permit the Veterans' Administration to retain the nearly 5,000 persons now employed in those activities in excess of the number provided for in the 1950 budget. In other words, it will permit the retention of those employees who are now experienced and trained and will allow for a gradual and orderly redistribution of personnel to staff approximately 10,000 new beds to become available by June 30, 1950, as a result of the completion of the construction of new hospitals.

Mr. President, I ask unanimous consent that a copy of the letter of the Director of the Bureau of the Budget to the chairman of the subcommittee, together with a copy of his letter to the chairman of the full Appropriations Committee, may be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed the RECORD, as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., July 15, 1949.

HON. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: With my concurrence and the approval of the President, the Veterans' Administration is submitting to you a request for the restoration of \$16,000,000 to the appropriation, "Administration, Medical, Hospital, and Domiciliary Services." The requested restoration will increase the amount now in the bill before the Senate from \$845,073,940 to \$861,073,940. However, the increased amount is \$8,406,060 less than the amount included in the President's budget.

The additional \$16,000,000 now requested will provide for the average employment of

5,000 for the medical, hospital, and domiciliary activities which will permit the Veterans' Administration to retain the nearly 5,000 persons now employed in those activities in excess of the number provided for in the 1950 budget. In other words, it will permit the retention of those employees who are now experienced and trained and will allow for a gradual and orderly redistribution of personnel to staff approximately 10,000 new beds to become available by June 30, 1950, as a result of the completion of the construction of new hospitals.

Sincerely yours,

FRANK PAGE, JR.,
Director.

Senator KENNETH MCKELLAR,
Chairman, Senate Appropriations Committee, Washington, D. C.

MY DEAR SENATOR: With the concurrence of the Director of the Bureau of the Budget and the approval of the President, I am requesting that the amount of \$16,000,000 be added to the amount for "Salaries and expenses" in the appropriation bill now pending before the Senate; this amount to be used specifically for staffing additional hospital beds which are scheduled to become available before June 30, 1950. Page 670 of the hearings on the independent offices appropriation bill before the Senate subcommittee lists the hospitals and the scheduled opening dates. These hospitals will provide a total of 10,306 beds in addition to existing hospitals and will make available during the 1950 fiscal year an average of 4,891 new beds.

The budget estimate for the medical, hospital, and domiciliary-care program as originally approved by the President and as presented to the Congress requested \$566,666,400 for this program. This amount of money would provide average employment of 110,356 persons. The additional amount of \$16,000,000 herein requested will permit employment of 5,000 persons above the number included in our original estimate for a total average employment of 115,356 persons. Actual employment at May 31 in the medical, hospital, and domiciliary-care program was 115,085 employees on the basis of full-time workers.

The increase requested herein will permit the Veterans' Administration to retain employees now experienced and qualified for hospital and medical care and will permit the transfer of such experienced workers from existing hospitals to new hospitals as they are opened. Thus a reduction of staff in the medical-care program will be avoided and later recruitment and training of new employees to staff the additional new beds as they become available will be unnecessary.

I am convinced that great efficiency of operation can be secured by this method and certainly employee morale and maintenance of the standards of medical care can be retained at a high level.

The additional amount of \$16,000,000 for this appropriation will increase the amount now in the bill before the Senate (p. 58, line 2) from \$845,073,940 to \$861,073,940 for the appropriation entitled "Administration, medical, hospital, and domiciliary services." The original request approved by the President and presented to the Senate was \$869,480,000. The present request is \$8,406,060 less than the amount included in the President's budget.

Your cooperation in securing adoption of an amendment to H. R. 4177 to carry out this request will be sincerely appreciated.

Sincerely yours,

CHARLES R. GRAY, JR.,
Administrator.

Mr. O'MAHONEY. Mr. President, I express the hope that the committee amendment will be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment

to the committee amendment on page 58, in line 2.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. GILLETTE. Mr. President, pursuant to the unanimous consent of the Senate which was obtained yesterday by the Senator from Wyoming, I send to the desk, on behalf of the Senator from Nevada and myself, a motion to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

The VICE PRESIDENT. The motion will be entered.

Mr. O'MAHONEY. The motion will be entered and will be taken up later in the day, I believe.

Mr. GILLETTE. Very good.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, on page 59, line 1, after the word "manner", to strike out the comma and "and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso"; and on page 59, line 4, after the amendment just above stated, to insert a colon and the following additional proviso: "Provided further, That at least one of such representatives shall be assigned to and reside in each State."

The amendment was agreed to.

The next amendment was, on page 60, line 10, after the word "occupation", to strike out "shall not be considered avocational or recreational" and insert "shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation."

The amendment was agreed to.

The next amendment was, on page 61, line 21, after the word "amended", to strike out "\$49,374,000" and insert "\$467,450,000."

Mr. O'MAHONEY. Mr. President, on this amendment I feel it incumbent upon me to call the attention of the Senate to the fact that under date of July 15, the Comptroller General of the United States filed with the Congress a report in which it was held, with a lengthy argument, that the amount of the budget estimate included in this item, \$210,420,000, which is for interest on the reserve fund, is not necessary under the present status of the law. I also have a letter from Mr. Clark, of the Veterans' Administration, in which he very vigorously disputes the position taken by the Comptroller General. In view of the fact that here is a controversy between the Comptroller General and the Veterans' Administration as to whether there actually is legal authority to pay this interest in the amount of \$210,420,000, it was

the intention of the chairman of the subcommittee to ask that that amount be deducted from the increase. However, since coming to the floor of the Senate today, I have talked with the chairman of the Finance Committee, which has legislative jurisdiction of that matter. I understand that the Senator from Georgia desires to comment upon this interest feature.

Mr. GEORGE. Mr. President, I shall make only a brief statement. If it were possible to withdraw this amount from the bill without seriously impairing the Veterans' Administration program, I would of course gladly concur in that procedure.

There have arisen or have existed some differences of opinion between the Comptroller General and the legal department of the Veterans' Administration regarding an item of interest. That came about in this way: Originally, after the passage of the legislation, a trust fund known as the national service life-insurance fund was set up to carry on the vast insurance program of the veterans. It was some time before it could be determined the amount that fund needed to be reimbursed by the United States to cover the extra losses due to military and naval hazards. Also there were certain amounts due the fund by way of interest because of the reimbursement being belated. So, it is necessary in order for the Government to carry out its part of the contract and keep the fund actuarially sound, that the Government pay to the fund the full amount of its obligation and this debt should be discharged at this time.

Mr. President, it is true that the proposed distribution of dividends by the Veterans' Administrator could not be made anyway until after the turn of 1950. It will be at least the middle or perhaps the end of January or perhaps February before these dividends can be distributed physically. I am referring to the physical difficulties involved. But the distribution cannot be made on the present schedule unless this item is passed and the money is available for transfer into the fund.

As a part of their compensation, the Government undertook to pay the life-insurance premiums on \$10,000 of Government insurance during the period aviation cadets and students were in a flying status.

The Comptroller General seems to be of the opinion that there is no express authority for the payment of interest. Actually, Mr. President, the Comptroller General is in error on that point. I have great respect for that office, but I read to the Senate a simple committee statement in relation to this matter made when the act was amended:

There was no misunderstanding of the intent and effect of such amendment. The Report No. 1705, Seventy-ninth Congress, second session, to accompany H. R. 6371, said:

"Section 11 of the committee amendment amends section 607 (b) of the National Service Life Insurance Act of 1940, as amended, to authorize calculations of the value of life contingencies and liabilities thereunder to be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. Experience has demonstrated that the American Experience Tables of Mortality

are inadequate for calculations of liability involving payment of life annuities and that such calculations should be based on some other table if the amount transferred from the national service life insurance appropriation to the national service life insurance fund under the provisions of section 607 (b) is to be sufficient to reimburse the national service life insurance fund for the liability in case the death of the insured results from injury or disease traceable to the extra hazard of military or naval service."

The original act, dealing with national service life insurance, required all calculations to be based upon the American Experience Table of Mortality, with interest at 3 percent. By the August 1, 1946 amendment it was provided—

That where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe, with interest at the rate of 3 percent per annum.

There, Mr. President, is the express authority for the payment of interest. I think there can be no reasonable doubt about it.

But since the distributions cannot be made anyway until 1950, the two appropriate legislative committees of the Congress would have ample opportunity to go into this question and to recommend the appropriate action, if it should be determined that interest should not be paid to the veterans.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Georgia yield to the Senator from Massachusetts?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Is there not also involved another question, which perhaps is not a matter of serious concern, in connection with the withholding of some of this money at the present time? As I understand the discussion or difference of opinion, a veteran who takes out a policy under which the beneficiary receives a monthly payment for life gets 15.3 percent more, or \$1,153, as I recall, on the principal of the policy, whereas under a one-payment policy in the event of death, the beneficiary will receive \$1,000. That is also involved in the question concerning the American Experience Mortality Table. Is that a legal question, involving a change in the law, or does it enter into the question of this payment at the present time?

Mr. GEORGE. It comes into any question of the distribution of dividends, and of course, it would have to be taken into consideration. I think the whole difficulty arises from the fact that in the old United States Government life insurance of World War I, which was continued to the 8th day of October 1940, there was an express provision for the use of a specified mortality table. That provision of law has been faithfully followed. In subsequent legislation it was provided that for the purpose of reimbursing the fund the mortality table or tables should be such as the Administrator himself might prescribe, again with interest at the rate of 3 percent per annum.

The Comptroller General takes the rather broad position that a different

mortality table should have been used for the calculation of annuities. But I do not think the facts justify the criticism in that regard. It has been assumed the payment of dividends to the policyholders or to the beneficiaries, in case of the death of the insured, is a wholly voluntary act upon the part of the Administrator. Such is not at all the case. It is not optional with the Administrator. He has a legal duty to perform and his discretion is purely a legal one in contrast to a personal discretion. He must, of course, ascertain periodically, the condition of the trust fund. In most States the commercial insurers are charged with doing so annually. So the Administrator found it necessary, in due course to ascertain the condition of the trust fund.

I digress to say that dividends are not payable at all under the appropriation made by this act. Dividends are payable only out of the trust fund, in which there is now a net balance over and above all liability upon existing policies of nearly \$3,000,000,000 if the Government meets its contractual obligation. The one item here involved which would go into the trust fund is this appropriation which has to do with losses traceable to the extra hazards of military and naval service and interest on deferred transfers.

Mr. SALTONSTALL. Mr. President, will the Senator yield? If he has finished with his explanation, I have one more question I should like to ask.

Mr. GEORGE. I am glad to yield.

Mr. SALTONSTALL. Does not the Comptroller General make another point in connection with the \$210,000,000? He made the point as to whether the Government owed interest from the time a war casualty died to the time the money was paid into the insurance fund, and whether the Government owed the interest, or whether it paid into the insurance fund the face amount, as I understand, of the insurance policy. That also was involved, as I understood, in the amount, whether payable at 3 percent or at 2½ percent. The Senator from Georgia says it is payable at 3 percent as clearly expressed. My question is, Is the law clear, and is there any question involved as to whether any interest is due for that period?

Mr. GEORGE. I think the law is clear. Let me say, in the Lynch case, a case that originated in Georgia, the Supreme Court of the United States finally ruled that Government life-insurance policies were contracts, and that the insured or beneficiary, as the case might be, had a contractual interest in them, and it was beyond the power of Congress to take away the right given to the insured or his beneficiary, although the Congress might change the remedy. But if the change of remedy amounted to a denial of the right, the legislative act under consideration was held to be faulty, the Court having found it did deny the right. So I do not think there is any question but that this interest, which represents an element entering into the determination of the dividend but is only a part of it, is properly included in the amount to be transferred to the fund. I think there is no doubt that

the Administrator is proceeding to calculate it at the proper rate of interest and from the proper date.

Mr. SALTONSTALL. It is from the date of the death rather than from the date the amount is paid by the Government into the fund. Is that correct?

Mr. GEORGE. Yes; I think the Administrator is therein following the law faithfully; but it of course is a question the legislative committee of the Congress would have full time to go into before the dividends are disbursed. It is important to get the matter straight in the pending bill, so far as practicable, in order that the Administrator may be enabled to proceed with the calculations.

It is provided in a later amendment on the same page that no part of the fund shall be used to pay dividends on policies on which the Government itself paid the premiums. As I said a few moments ago, these premiums were paid by the Government as a part of the serviceman's compensation and then only while they were undergoing flight training. Before and after such period of actual flying training the serviceman had the premiums deducted from his pay on the very same policy on which the Government paid the premiums when he was in a flight training status.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield.

Mr. O'MAHONEY. I may say that after the bill was reported by the committee, members of the committee had considerable discussion about the matter. It is a legislative amendment, but the members of the committee of whom I speak do not think it is of great importance. I shall have no objection, if the amendment is eliminated from the bill.

Mr. GEORGE. I should ask that it be disagreed to.

Mr. O'MAHONEY. Yes.

Mr. GEORGE. I would not make the point of order, so as to jeopardize the bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more question?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Has the Senator completed his statement?

Mr. GEORGE. I think I have completed it.

Mr. SALTONSTALL. Then, as I understand the Senator from Georgia, for whose judgment I have profound respect, he believes the committee in charge of the independent offices appropriations bill should not give weight to the Comptroller General's letter in criticism of the Veterans' Administration upon the two points in question. Is that correct?

Mr. GEORGE. I would not put it in just that way. I would say, if weight is to be given to it, the appropriate legislative committee of the Congress will have ample time in which to look into the question thoroughly and to recommend legislation, if legislation is indicated or necessary. But I am inclined to think the Veterans' Administration has properly interpreted the law and is properly applying it.

Mr. SALTONSTALL. I agree with the Senator from Georgia. Certainly we do

not want to do anything to prevent the calculation or the payment of the dividend the first of the year. But the question which was in my mind, brought out by the Comptroller General, was as to whether the entire \$210,000,000 of interest would ultimately be due. We know, of course, some of it will become due at some time and will have to be paid by the Government into the fund. But the only question in my mind was, whether all of it would become due, and if all of it would not become due, and the dividend could be paid and the funds remain intact, whether it would be wise to hold it up until next year.

Mr. GEORGE. I do not think it would be wise. My considered judgment is that the entire amount is a liability to the fund which the Congress must necessarily pay into the fund or make up, and it should be done now. In fact, the whole amount was due July 1, 1949. It should be immediately appropriated because it enters into the calculation of the total dividends which will be distributed to the veterans.

I say that, Mr. President, after some considerable investigation of the subject, because my first impression was that it was more or less in the nature of a permissive authority vested in the Administrator and that it was a benefit to the veterans never contemplated by the veterans themselves. But it is not a permissive authority, as appears upon a careful examination of the act dealing with this whole matter. It is something the Veterans' Administrator was obliged to do in order to carry out his duty and this appropriation is necessary to keep this fund in a healthy condition. In other words, in order for the fund directly to represent its true condition and take care of all the reserves and all the contingent liabilities the fund requires that the Government meet its obligations fully and on time just as it requires the insureds to pay their premiums timely.

Mr. SALTONSTALL. Mr. President, will the Senator further yield?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. If the Senator from Georgia has made a study and is satisfied, then I, for one, certainly believe that the Subcommittee on the Independent Offices appropriation bill should give weight to his judgment and should not take a chance, so to speak, on the integrity of the fund by failing to appropriate the amount which the Comptroller General's suggestion would lead us to believe would be sufficient at this time.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. O'MAHONEY. I desire to call attention to the statements contained in the report of the Comptroller General. These appear on page 7 of his mimeographed letter.

May I ask, Mr. President, that this document may be made a part of the Record, together with the response to the letter by Mr. O. W. Clark, Deputy Administrator of the Veterans' Administration, who takes the position of the Senator from Georgia.

There being no objection, the letters were ordered to be printed in the Record, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, July 15, 1949.

The Congress:

There recently has been submitted to the Congress a communication transmitting revised estimates of appropriation for the fiscal year 1950 involving a net increase of \$239,399,000 for the Veterans' Administration in the form of amendments to the budget. (S. Doc. No. 78, May 20, 1949.) One segment of this revised estimate consists of an appropriation increase of \$12,590,000 for the national service life insurance appropriation which was explained in letter of the Director of the Bureau of the Budget, dated May 18, 1949, as follows:

"The Veterans' Administration has now completed studies relative to the excess mortality cost traceable to the extra hazard of military or naval service where life contingencies are involved, as authorized by the National Service Life Insurance Act, as amended. The additional amount required to be transferred from the national service life insurance appropriation to the national service life insurance trust fund in this connection is \$202,170,000, and there must also be provided an amount of \$210,420,000 to cover interest which would have been earned by the fund if it had been possible to make all reimbursements on time."

The Congress approved a similar request, involving \$300,000,000 (not involving payment of interest, however) in the First Deficiency Appropriation Act of 1947 (61 Stat. 62). Accordingly, a total of \$712,590,000 is involved in the matter being brought to your attention by this report. This sum is analyzed as follows:

A. The amounts estimated by the Veterans' Administration as being needed to reimburse the NSLI fund for extra-hazard (that is, war) death claims where settlement options selected result in a need for a principal sum that on the average, actually exceeds the face of the insurance policies involved:	
Approved in the First Deficiency Appropriation Act of 1947 (61 Stat. 62)-----	\$300,000,000
Request now pending before the Congress (S. Doc. No. 78)-----	202,170,000
	502,170,000
B. The amount of interest as estimated by the Veterans' Administration which would have been earned by NSLI fund from date of death in individual extra-hazard cases to date of transfer of the money from NSLI appropriation to the NSLI fund (S. Doc. No. 78)-----	
	210,420,000
Total-----	712,590,000

As to part A:

In brief summary, a perhaps unintended defect in the law relating to cases where the beneficiaries select a life income settlement results in the payment of about 15 percent more than the face amounts of their policies. This is because the law calls for the use of an outmoded mortality table which does not reflect actual current experience. While the amount of each monthly payment is figured from the table, the comparative longevity of the beneficiaries results in many more payments, in the average case, than the table was based upon. In

practice, therefore, the Veterans' Administration must set aside and put out at interest in each case about \$1,153 for each \$1,000 of insurance bought, paid for and matured. The actual effect is to discriminate in favor of cases where the beneficiary selects a life income instead of a lump-sum payment, to reduce the dividend otherwise due other policyholders and (in the cases of deaths due to war hazard) to charge the appropriation excessively.

The situation which has resulted in the current request for \$202,170,000 and the earlier request for \$300,000,000 for the NSLI appropriation was created by a defect in section 602 (e) of the NSLI Act, which provided for use of the same mortality table for calculating premiums and annuities, and did not prescribe a modern and more accurate annuitants' table for calculating annuities for male and female lives.¹ Section 602 (e) requires use of the American Experience Table of Mortality (with interest at 3 percent) in all insurance calculations under the act. The act provided for settlement options involving life contingencies (that is, payments at a fixed rate for the lifetime of the beneficiary) thereby creating an immediate need for appropriate annuity tables for male and female lives, based on current mortality experience with annuitants. Since the act provided for only one table in all calculations, namely, the American Experience Table of Mortality, and that without distinction between male and female lives, such obsolete table of mortality has been used in calculating settlement options involving life contingencies. The effect of such use of the American Experience Table is to select a monthly income rate for life based on a table that reflects a higher mortality rate than the current experience, thus resulting in paying out to beneficiaries over the years a sum (exclusive of interest) greater than the face² of the policies being settled. The amount of such excess above the face of the matured policies is determined by relating the monthly income rate, determined on the basis of the American Experience Table of Mortality and 3 percent per annum, to the lower mortality rate shown in the approved National Service Life Insurance Beneficiary Mortality Table which assumes a much lower mortality rate than is assumed in the 1937 Standard Annuitants Table. A brief comparison is given as follows:

Rate of mortality per thousand

Age	American experience table	NSLI beneficiary mortality table		1937 standard annuitants table	
	Male and female	Male	Female	Male	Female
30 years.....	8.43	1.73	1.42	2.07	1.56
35 years.....	8.95	2.43	2.38	2.98	2.07
40 years.....	9.79	3.75	3.67	4.36	2.98
45 years.....	11.16	5.33	4.42	6.36	4.36
50 years.....	13.78	7.71	5.42	9.29	6.36

¹ In the case of annuities it is necessary to distinguish between male and female lives because the mortality rates among females are much lower than among males and because a much more substantial proportion of annuities issued are on female lives than is true in the case of life insurance. It has been found, however, that the difference between the mortality of male and female annuitants can be represented with sufficient accuracy by taking for females the male mortality rate for an age 4 or 5 years younger.

² Hereinafter, when reference is made to the "face of the policy," it is to be interpreted as meaning "the face of the policy, less the reserve." The reserve on these policies is nominal in amount as most of them are 5-year term policies.

By using the NSLI beneficiary mortality table to calculate the Government's liability, the cost to the Government is even greater than it would have been if the 1937 standard-annuitants table had been used. Also, it is estimated that policies settled under the NSLI beneficiary-mortality table receive an additional amount equal to an average of 15.3 percent above the face amount of the policies. In other words, on a policy of \$1,000 the Veterans' Administration pays out of the fund a principal sum of \$1,153, plus interest on that sum.

Since the Government bears the cost of extra-hazard deaths (sec. 607 (b) of the act) by transfers from the NSLI appropriation to the NSLI fund, it now appears that this extra 15.3 percent above the face amount of such policies is likewise to be borne by the Government because of the obsolete mortality table authorized for use under section 602 (e) of the act for settlements with beneficiaries. This situation develops when recognition is given to a need for transferring more money into the NSLI fund than the face of the policies involved, to avoid having the fund bear a portion of the extra hazard costs as it assumes the liability for the monthly income to the beneficiaries. The monthly income rate to the beneficiary is based on one mortality assumption (American Experience Table without adjustment for current experience and without adjustment for male and female lives), but such monthly income rate actually will continue for a much longer period of life than is assumed in the American experience table of mortality.

In summary, one table (American experience table of mortality) sets the monthly rate to be paid to the beneficiary but another table (the NSLI beneficiary mortality table) estimates the number of years the beneficiary will be paid such rate, thereby determining on extra hazard cases the liability of the appropriation to the fund. Such liability, in all instances, exceeds the face amount of the policy.

The amount transferred from the NSLI appropriation to the NSLI fund from October 1, 1940, to October 1, 1948, to cover the face amount of matured policies, on death claims determined by Veterans' Administration to be due to the extra hazard of military and naval service is \$3,278,575,601. It is estimated by the Veterans' Administration that the additional amount required to reimburse the fund for the excess payments referred to (when the above claims are valued on the mortality table approved by the Administrator pursuant to section 607 (b) of the act) is \$402,170,000 (approximately 15.316 percent of \$3,278,575,601).

The Veterans' Administration has estimated the average at 15.316 percent but to be more specific there are given below certain examples prepared by the Veterans' Administration:

Female beneficiary age—	Amount of monthly income provided by each \$1,000 of insurance under option 3 (American Experience Table, sec. 602 (e))	Value of income on prescribed mortality table, section 607 (b)
30 years.....	\$3.97	\$1,169.67
50 years.....	5.39	1,227.94
70 years.....	8.51	1,211.89
80 years.....	9.55	1,086.62

The use of the American Experience Table of Mortality for calculating settlements involving life contingencies on non-extra-hazard cases results in the NSLI fund bearing the excess average cost of 15.316 percent of such non-extra-hazard cases also. Accordingly, the beneficiary in either extra-hazard or non-extra-hazard cases who receives a settle-

ment under option 1 (dump-sum settlement) receives the face amount of the policy, while other beneficiaries selecting life income options receive more than the face amount of the policy. This arrangement appears to create an inequity between beneficiaries selecting lump-sum settlements and those selecting settlements involving life contingencies.

A revision of section 602 (e) of the act as it applies to future settlements on a life contingency basis appears to be the area for possible remedy. There should be provisions for using the same annuity table, a modern annuitants table reflecting current mortality among male and female annuitants, under the authority of both sections 602 (e) and 607 (b). Such consistency in the initial act would have made unnecessary the prior appropriation of \$300,000,000 and the current appropriation request of \$202,170,000. Accordingly, the following statutory language is recommended as a remedy for the mortality table problem as it relates to the future:

"Section 602 (e) of the National Service Life Insurance Act of 1940 (54 Stat. 1009) is hereby amended by adding at the end thereof the following: 'Provided, That with respect to insurance re-instated or purchase on or after the date of this amendment, any calculations involving life income settlements or annuities on such policies that mature, shall be made on the basis of an annuitants mortality table approved by the Administrator of Veterans' Affairs, with interest at the rate of 3 percent per annum, which shall reflect current annuitants' mortality experience on male and female lives: And provided further, That with respect to these policies, later maturing by reason of the extra hazard of military or naval service, there shall be transferred from the national service life insurance appropriation to the national service life insurance fund, pursuant to section 607 (b) hereof (54 Stat. 1012), the face amount of the policy less the related reserve.

As to part B:

There also appears to be need for review and consideration of the question as to whether or not there now exists a legal liability on the part of the Government under the NSLI Act of 1940, to appropriate the requested amount of \$210,420,000 (S. Doc. No. 78), particularly since the Government has borne the cost of administration in connection with the insurance program, and the NSLI fund has been invested in 3-percent interest-bearing obligations of the Government, whereas the average interest rate for interest-bearing obligations of the United States is only about 2.2 percent.³ The \$210,420,000 represents estimated loss of interest earnings due to varying delays in making transfers from the NSLI appropriation to the NSLI fund of the face amount (\$3,278,575,601) of the insurance on deaths traceable to the extra hazard of military or naval service and the additional delay in transferring the excess value (\$502,170,000) of the benefits over the face amounts on all extrahazard cases. Unless specifically provided by law, it has been the policy of the Government not to pay interest to creditors on sums not promptly paid to such creditors. (See for example the letter of June 4, 1813, by the then Comptroller of the Treasury and the committee report thereon, 26 Annals of Congress 794, and see also *United States v. North American Co.*, (253 U. S. 330).) In view of such policy, the failure of the act to require the payment of such amounts and the fact that the fund apparently has a surplus of approximately \$2,800,000,000, serious doubt would appear to exist as to the propriety of the appropriation of such sum or the need therefor. Furthermore, it is understood that the Veterans' Administration proposes to calculate the estimated loss of interest earnings from the date of death, making no allowance

³ An interest difference to date of over \$148,000,000.

whatsoever for a reasonable average time in which transfer of moneys should or could have been made from the appropriation to the fund. I have serious doubt that this class of obligation against the NSLI appropriation was ever contemplated in the original framing of the act or in the subsequent amendments thereto. If, however, it be the purpose of the Congress to adopt a policy of bearing even this ultimate and rather refined element of the cost of the extrahazard cases (possibly in line with the language of sec. 607 (a)), it would be necessary to amend section 607 (b) and change the measure or formula for the transfer of funds by adding (after the first sentence) the words: "plus interest, at the rate applicable to moneys in the fund, from the date of maturity to the date of transfer." Whether, as a matter of policy, that change should be made is not a subject upon which I feel called upon to make a recommendation, but I am convinced that without such change the present law does not call for this item to be borne by the NSLI appropriation.

In view of the extra costs developed on the basis of an obsolete mortality table for annuitants; the high interest rate paid on the invested fund; the administrative expenses being borne by Federal appropriations; the forthcoming special dividend payments of possibly \$2,800,000,000; and the substantial implication of such factors on the Federal budget, the matters involved are deemed of sufficient importance to be brought to the attention of the Congress.

Respectfully submitted,

LINDSAY C. WARREN,

Comptroller General of the United States.

VETERANS' ADMINISTRATION,

Washington, D. C., July 20, 1949.

HON. KENNETH MCKELLAR,

*Chairman, Appropriation Committee,
United States Senate, Washington,
D. C.*

DEAR SENATOR MCKELLAR: I have been furnished a copy of a communication addressed to the Congress by the Comptroller General of the United States under date of July 15, 1949, in which he comments on, and makes certain recommendations including amendatory legislation covering the basis for computing modes of settlement under national service life insurance, and the matter of interest on amounts due the national service life insurance fund because of excess mortality due to the extra hazards of military or naval service.

The provision of the law directing the utilization of the American experience table of mortality for calculating annuity payments to beneficiaries on national service life insurance was purposeful and had as its object the making available of annuities to beneficiaries on a basis similar to that granted under the United States Government life insurance program. It was very carefully considered before its adoption. As a matter of national policy it was deemed important that the payment of this insurance should be in installments over the whole period of life rather than in one sum. This mode of settlement was deliberately made advantageous and attractive as an inducement to the acceptance of this type of settlement. As indicative of the congressional attitude in this regard, payments in this form for beneficiaries thirty or more years of age were statutorily compulsory during the war period, and until the passage of the amendatory act of August 1, 1946. Such a method of settlement was adopted so as better to fit it in as an integral part of the veterans' benefit system.

As to any policies outstanding, since the mode of settlement is a part of the contract, obviously it could not be altered except by mutual agreement and the Comptroller General appears to recognize that fact but his letter suggests that as a condition precedent

to the reinstatement of any policy that has lapsed the contract terms be modified as to the settlement provision. The right of reinstatement carries with it the right to put back in force the old contract and not one that has been reformed by the insurer. The courts have held in connection with the reinstatement of United States Government life insurance that it is not a novation, and unquestionably would so hold as to national service life insurance.

There is absolutely no basis for the charge of discrimination against beneficiaries receiving lump-sum settlements, since the opportunity of receiving a life annuity is open to every beneficiary and no one is obliged to receive insurance paid as a death settlement in one lump sum, except when the installments would amount to less than \$10,000 if made over a 12-month period.

But even as to new policies under a prospective amendatory act, I am opposed to any change which would diminish the amount of benefits payable to annuitants, or which will encourage any insured or beneficiary to select a settlement in one lump sum rather than in installments over the whole period of life.

The Comptroller General raises a question as to whether or not there now exists a legal liability on the part of the Government under the National Service Life Insurance Act of 1940, as amended, to appropriate the sum of \$210,420,000 to cover the estimated loss of interest earnings to the national service life insurance fund because of delays in transfers from the national service life insurance appropriation to the fund of the difference between the reserve and the present value of insurance where the liability due to the extra hazards of military or naval service is assumed by the Government.

The original act (sec. 602 (c)) required all calculations to be based upon the American Experience Table of Mortality with interest at 3 percent. It was determined, as a result of experience and actuarial studies that on extra hazard of military and naval service cases the requirement of the fund for the liability of the Government for the difference between the reserve and the present value of the insurance where refund life annuities were elected would be insufficient if said table were used and hence would improperly drain the trust fund. The Veterans' Administration recommended and the Congress enacted an amendment to section 607 (b) of the act reading:

"Where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum."

There was no misunderstanding of the intent and effect of such amendment. The Report No. 1705, Seventy-ninth Congress, second session, to accompany H. R. 6371 said:

"Section 11 of the committee amendment amends section 607 (b) of the National Service Life Insurance Act of 1940, as amended, to authorize calculations of the value of life contingencies and liabilities thereunder to be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. Experience has demonstrated that the American Experience Tables of Mortality are inadequate for calculations of liability involving payment of life annuities and that such calculations should be based on some other table if the amount transferred from the national service life insurance appropriation to the national service life insurance fund under the provisions of section 607 (b) is to be sufficient to reimburse the national service life insurance fund for the liability in case the death of the insured results from

injury or disease traceable to the extra hazard of military or naval service."

The United States Government is here acting in two roles, as a trustee, and in the capacity of sovereign. Certainly it should not exhibit a lower standard in dealing with itself as a trustee than would be expected and required of an individual in similar circumstances. If there can be said to be any fault for the transaction not sooner being consummated, it obviously attaches to the Government and not the policyholders. Therefore, should such a situation serve to penalize the policyholders and divest them of that which is rightfully due them? It appears to me that they have every right as veterans, and especially since in this instance the Government is also acting in the role of trustee, to expect their interests honorably to be safeguarded. The entire purpose of this reimbursement is to make whole the national service life insurance fund and save it from any losses traceable to the extra hazards of military and naval service. That principle is so plainly stated in the law, and is of such long standing as to be incontrovertible as the policy of the Congress, and as a part of the contracts of insurance. In administering the trust under national service life insurance interest is a very important element and is responsible in a large measure for the favorable installments and other benefits payable. A goodly portion of the amounts received by beneficiaries as monthly installments is represented by the interest factor. The fund in making payments to beneficiaries on behalf of the Government in the extra hazard cases includes interest in calculating the installments payable. All that the interest item here under discussion does is to pay to the national service life insurance fund an amount sufficient to permit the Government to carry out its specific statutory promise not to burden policyholders with any losses traceable to the extra hazard of military or naval service. Assuming but without admitting that there may be technicalities or methods by which the Government might escape its obligations, it is incomprehensible to me that the Congress would ever want to place itself in the position of breaking faith with its veterans and their beneficiaries by repudiating a clear promise, amounting to a plain moral if not indeed a legal duty.

As to the allusion to the average interest rate for obligations of the United States being 2.2 percent, may I point out that for the most part the deposit element of the policyholders' equities represents long-time investments and the 3 percent interest received by the National Service Life Insurance Fund is not out of line with that paid on Government savings bonds held to maturity.

I believe that for the Government of the United States now to attempt to evade its obligation under these contracts would not only be of questionable constitutionality but would be unconscionable and disingenuous. Such an avoidance of an obligation, voluntarily assumed, to be sure, but not without adequate consideration, if practiced by an individual or a private insurer, assuming it could be legally accomplished, would be put in no other category than that of sharp practice.

Finally, the letter questions the table adopted by the Veterans' Administration under the discretion vested in the Administrator by section 607 (b) as amended by the act of August 1, 1946, supra. The very purpose of the amendment recommended by the Veterans' Administration and enacted into law was to reimburse more nearly adequately the trust fund for liabilities of the Government. The table adopted was constructed with the advice of actuaries of international reputation and wide experience and was deemed the most accurate one for the purpose of measuring such liability; to

adopt another table at this date could be justified only on a clear showing of error.

I consider it my duty to bring to your attention the above facts.

Sincerely yours,

O. W. CLARK,
Deputy Administrator for and in the
absence of the Administrator.

Mr. O'MAHONEY. Mr. President, I desire to call attention to the fact that in the view of the Comptroller General there is a desirability for a review of the question whether there is a legal responsibility on the part of the Government under the National Service Life Insurance Act to make this appropriation of \$210,420,000 submitted in the budget estimate to cover the interest. The Comptroller calls attention to the fact that this interest is at the rate of 3 percent. Mr. Clark called attention to the fact that the report of the committee which submitted the original law referred to 3 percent interest; but it appears that the average rate of interest on Government securities is only 2.2 percent. So this appropriation of approximately \$210,000,000 is \$148,000,000 more than the average rate of interest which is paid upon Government obligations. The Comptroller says that in view of the fact that there is a surplus of approximately \$2,800,000,000 in the fund—and I now directly quote him—

Serious doubt would appear to exist as to the propriety of the appropriation of such sum or the need therefor. Furthermore, it is understood that the Veterans' Administration proposes to calculate the estimated loss of interest earnings from date of death, making no allowance whatsoever for a reasonable average time in which transfer of moneys should or could have been made from the appropriation to the fund.

My thought in calling this item to the attention of the Senate is that if the reduction is made, the conference committee could go fully into the question. Of course, in the meantime, the Finance Committee, the Ways and Means Committee of the House, or the Veterans' Committee—

Mr. GEORGE. The Veterans' Committee.

Mr. O'MAHONEY. The Veterans' Committee would have ample time to be in position to make reports to the Senate and the House.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. FERGUSON. Is it the contention of the Senator from Georgia that the act specifically provides for the payment of this interest?

Mr. GEORGE. Yes; it does.

Mr. FERGUSON. I have read the letter of the Comptroller General and I thought he had come to the conclusion that there was very serious doubt and that there probably should be covering legislation to authorize this particular payment.

Mr. GEORGE. The amendatory legislation specifically provides for interest at the rate of 3 percent being paid in connection with amounts being transferred to the fund to reimburse it for extra hazard losses. If interest were not included, the Government would not be fully meeting its obligation.

I think the Comptroller General was wrong in thinking that this section does not authorize interest. Let me read it from the act of August 1, 1946, which was passed after due deliberation by the Senate Finance Committee and which also had considerable study by the Veterans Affairs Committee of the House. It contains this provision:

Where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe—

Here is the important provision—
with interest at the rate of 3 percent per annum.

This provision was deliberately made a part of the act. The original act itself had provided for a 3-percent-interest allowance to the insurance fund, but on August 1, 1946, in an act which involved the rewriting of a great many of the provisions of the National Service Life Insurance Act of 1940, this express provision was included. It was a deliberate inclusion, and I fail to see how the Administrator could, in calculating the solvency of the insurance fund, do anything other than include interest if the Government's agreement to bear all losses traceable to the extra hazards of military and naval service is to be carried out.

Mr. FERGUSON. I was wondering whether the act provided that the Government should pay to the insurance fund the amount plus 3 percent. I think that was the matter about which the Comptroller General was speaking. The question was whether it was provided that the beneficiary should be paid from the insurance fund the amount plus 3 percent.

Mr. GEORGE. I think the Comptroller General did have something like that in view; but the only way to keep the fund solvent, and the only way the Administrator himself can know as to the solvency of the fund is faithfully to follow the law. So the act expressly requires him to calculate the interest at 3 percent. Of course the Government, paying into the fund this amount of money, might say that the average rate has been so and so; but the right of the insured has matured.

I called attention to two cases. The first one was the case of White against the United States, in which it was held that these insurance policies were contracts. The other was a case which originated in my own State of Georgia, Lynch, Wilner against the United States, 292 United States 571. It went to the Supreme Court of the United States, where it was expressly held that these insurance policies were contracts and that Congress did not have the power to take away the right of the insured, or of the beneficiary, as the case might be, although it might deal with the remedy given to him. In the latter case it was held that the insured was entitled to take under the policy because it was a contract, and that the insured had the rights of a contractor.

Mr. FERGUSON. I think that is good law, and it is as it should be. But I

wondered if it was not true, that rather than pay this interest now, when there is no absolute provision for the payment of interest, it would be better to pass substantive law authorizing the payment, so that we would not establish a precedent under which various agencies might start to pay interest on debts from the United States Government to third persons, when no interest was provided for in the statute. In certain income tax rebates we have provided by statute that a percentage of the interest, even as much as 6 percent, should be paid, and in a case like this, if we are not careful we will establish a precedent whereby the different agencies, without coming to Congress, will start to pay interest on any indebtedness of the United States Government. I think we should be careful about that, and pass an act authorizing this specific interest. Then we could take care of it by a deficiency bill, or in a supplemental bill. I am all for keeping the fund solvent. I think it should be kept solvent.

Mr. GEORGE. In my opinion we would not be creating any precedent because it is my judgment that the law very specifically authorizes the payment of this interest. I went into that question before the Senator came into the Chamber, and suggested that in order to distribute dividends next year it is necessary for calculations to be made now on all policies. It must be borne in mind that in the neighborhood of 20,000,000 policies were issued from the beginning of the operation of the act in 1940. There are now about 7,000,000 policies outstanding, payable to perhaps more than 6,000,000 people, some holding more than one policy. The total number of policies must be taken into account by the Administrator if he is to make proper distribution of dividends. In other words, he has to calculate the exact amount due to each insured, or, in the case of the death of the insured, to his beneficiary.

Let me read the Senator an excerpt from the National Service Life Insurance Act of 1940, as amended:

Sec. 604. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this part, to be known as the national service life insurance appropriation, for the payment of liabilities under national service life insurance. Payments from this appropriation shall be made upon and in accordance with awards by the Administrator.

Then this is provided:

Sec. 605. (a) There is hereby created in the Treasury a permanent trust fund to be known as the national service life insurance fund. All premiums paid on account of national service life insurance shall be deposited and covered into the Treasury to the credit of such fund, which, together with interest earned thereon, shall be available for the payment of liabilities under such insurance, including payment of dividends and refunds of unearned premiums. Payments from this fund shall be made upon and in accordance with awards by the Administrator.

Then a further provision:

(b) The Administrator is authorized to set aside out of such fund such reserve amounts

as may be required under accepted actuarial principles, to meet all liabilities under such insurance; and the Secretary of the Treasury is hereby authorized to invest and reinvest such fund, or any part thereof, in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund.

Then the further provision:

Sec. 607. * * *

(b) Whenever benefits under such insurance become payable because of the death of the insured as the result of disease or injury traceable to the extra hazard of military or naval service, as such hazard may be determined by the Administrator, the liability for payment of such benefits shall be borne by the United States in an amount which, when added to the reserve of the policy at the time of death of the insured, will equal the then value of such benefits under such policy. Where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. The Administrator is authorized and directed to transfer from time to time from the national service life insurance appropriation to the national life insurance fund such sums as may be necessary to carry out the provisions of this section.

In the act of August 1, 1946, itself the rate of interest is specified at 3 percent per annum.

So, Mr. President, my statement is largely for the purpose of asking that there be no reduction in the amount going into this fund which covers the interest. A subsequent provision the distinguished Senator from Wyoming has already indicated he would withdraw because it is definitely legislation, but I stated to him that I would not make the point, but only ask that the provision be stricken, because it does change the law, and it changes it in a way in which Congress would have no authority to change it.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Perhaps this is reiteration, but at the risk of reiteration let me say that the Senator has just read the law, and he stated that the law specifically provided for 3 percent interest. But it is not yet clear in my mind, if it is clear in the Senator's mind, that the law says that that rate of interest shall be paid from the date of the death, or the date when the money is paid by the Government on war casualty risks into the insurance fund. Do I make myself clear?

Mr. GEORGE. I think so. I expressed my belief that the Administrator was correctly following that course. But I had not quite completed what I intended to say to the distinguished Senator from Michigan, namely, that since no disbursement of dividends can be made from this fund until 1950, the appropriate legislative committees would in the meantime have opportunity to examine all the questions raised and to make suitable recommendations if it were found that in any respect the Administrator was disbursing funds in excess of

the amounts which should be disbursed as dividends. The basic philosophy of the law is that the Government bear all losses due to the extra hazards of military and naval service. This whole item has to do exclusively with such losses. Actually to carry out its part of the contract the Government should have paid the money over to the fund when the fund became obligated to pay on the policy so that the fund could have immediately invested the money and thereby earned interest on it. The fund was precluded from so investing the money at interest because the Government was delinquent in making the transfer of funds. If this appropriation for interest which is now under consideration is made it will simply place the fund in the same position that it would have been in had the Government met its obligation when it was due.

Mr. FERGUSON. Mr. President, I hope the Senator will not press his point of order on the proviso at the bottom of page 61. It appears to the Senator from Michigan that, if a man has not paid in a premium, and the Government has paid it, where there is a dividend the Government should get the premium returned and the man who did not make the payment of premium should not receive it.

Mr. GEORGE. Mr. President, I am sorry I can not agree with the Senator in that regard. It seems to me that very clearly the Government took these policies for the aviation cadets, and they were the only class who were paid by the Government.

Mr. FERGUSON. That is correct in the case of aviation cadets.

Mr. GEORGE. Except a limited class of veterans who actually were killed in action or died in service before they had time to get their insurance. It was a mere gratuity, and of course there would be no dividends paid to their estates. Sometimes a man in service did not have ample opportunity to take out his insurance, perhaps it had not been explained to him, and in many instances thousands of young men, after being sent to the Pacific area, were soon in the front line, and they did not have proper opportunity after the outbreak of war and before being plunged into action to make application for insurance. We decided that in those instances the Government would give them minimum insurance policies. They were mere gratuities, and of course there are no dividends payable to their estates. But here is a provision in the law which I do not think we can overlook. I quote an extract from Public Law 698, Seventy-seventh Congress:

SEC. 5. Aviation cadets will be issued Government life insurance in the amount of \$10,000, effective from the date of reporting for active duty, and premiums on such insurance shall be paid during the period of their active duty from current appropriations as provided in section 13 of this act. Upon discharge, release from active duty, or other termination of aviation cadet status, such insurance may be continued at the option and at the expense of the individual concerned.

I paraphrase from Public Law 698, Seventy-seventh Congress:

During the period of active duty aviation cadets will be issued Government

life insurance in the amount of \$10,000, the premiums of which shall be paid out of current appropriations provided in section 13 hereof. Upon discharge or upon any completion of active duty aviation cadets will have the option of continuing such policies at their own expense.

In view of the fact that these policies were issued during the time the trainee was occupying the status of aviation cadet it seems to me this is a very clear obligation upon the part of the Government made to induce enlistments in that hazardous service, and that the men actually acted upon that inducement.

I remind the Senator from Michigan also that there cannot be more than from \$10,000,000 to \$20,000,000 involved at the outside out of a total of \$2,800,000,000.

I think the language should be stricken for the reason I have already stated. If it is not stricken, all the Administrator can do is to go through some 20,000,000 accounts and try and pick out the five or six hundred thousand accounts on which the Government paid one or more monthly premiums, and adjust those policies upon which the Government itself paid any premiums. But it seems to me the Government obligated itself to give this insurance to the men who went into training as aviation cadets, and that it was a part of their terms of employment by the Government. That appears to me to be very clear. If that is true, the courts would finally decide that the Congress could not take away such a vested right. Then, and in such event, everything which would have been administratively done in carrying out the amendment would have to be undone and at great cost to the taxpayer.

So I hope the Senator from Michigan will allow this provision to be stricken, because it, along with the other provision with reference to the payment into the fund of interest, can be studied before any disbursements are made. In the meantime the Administrator would, of course, have completed his calculations and would be ready in 1950, but certainly not before late in January, to make actual disbursements of these dividends.

Mr. FERGUSON. Mr. President, I think the Record should be clear as to how the Senator from Michigan feels, and why he feels as he does respecting these two provisions. I shall speak about the last provision first. The Senator from Michigan has no desire whatever to impair the obligation of the contract between the Government and those who are insured. As I read the law it is clear that the repayment of a part of a premium to a veteran who never paid the premium, is simply not legally correct nor morally correct so far as the Government is concerned.

This is what happened: Those who were in charge of fixing the amount of premium on these policies used a certain mortality table. That mortality table was entirely wrong and fallacious. The Veterans' Administration now finds that it can return half or more than half of the premiums paid in by the insured. How such a mistake could have been made is difficult to understand, but that is what happened in these cases. Now the time has come when it is learned that the mortality tables which were used

were wrong, and the Veterans' Administration finds in its fund an excess of money, and feels that it can repay it to those who paid the premiums. A part of the premiums were paid by the United States Government itself. The Senator from Michigan feels that the amount of the premium, if it was for 2 months or 3 months or 4 months, or for whatever period of time the premium was paid in, which was greater than was necessary to carry the policy for that length of time—and that is exactly what has now been discovered; the amount of money paid in for premiums was in excess of that necessary to carry the policy—should be returned to the person who made the payment on the policy.

In the case of these cadets the United States Government paid the premium. Therefore, for the length of time the Government carried the cadets—and as I understand the books are set up so it is not difficult to ascertain that length of time, because it can easily be ascertained what payments were directly made by the Government—the excess in premiums paid during that period of time should be returned to the Government. There is a possibility that it will amount to \$50,000,000. The Senator from Georgia thinks the amount may be \$20,000,000 or \$30,000,000.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. The Senator is talking about the second amendment, and not about the one which is now under consideration?

Mr. FERGUSON. Yes; I am talking about the second amendment, which is legislation.

As I understand the Senator from Georgia, he expects that there will be no payments made by the Veterans' Bureau until such time as the legislative committees could act, which would be in January or February of next year. But if the provision appearing at the bottom of page 61 and the top of page 62 is stricken from the bill, we have no assurance that in the meantime the amount will not be calculated and paid to one who never paid in a premium.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. The Senator knows that in the first discussion of this matter I quite agreed with the Senator from Michigan in the committee. In fact, I offered the amendment for the purpose of making it unnecessary for the Government to pay dividends upon those policies on which the Government itself paid the premium. But further examination, upon representation of the Veterans' Bureau, and the reading of a case or two of law, made it clear that the payment of the premiums in the case of these cadets was made by the Government in compliance with the law, so that the Government under the law assumed the responsibility for paying the premiums. The payment of the insurance claims upon death to the beneficiaries, or the payment of dividends, when it is found that the premiums were excessive, result from contractual obligations under the

decisions of the courts. It seems to be clear that the repayment is a part of the contractual obligation of the United States Government. Therefore, I became convinced that in the circumstances, since this is legislation, and since I originated the amendment, I would not object to the suggestion of the Senator from Georgia that the amendment be disagreed to.

Mr. FERGUSON. Has the Senator from Wyoming any particular case in interpreting the statute to mean that these payments were by way of salary or by way of compensation?

Mr. O'MAHONEY. That precisely was the case, under the law. Because of the extra hazard undertaken by these aviation cadets, the Government agreed, as compensation to them for that extra hazard, to pay the premium.

Mr. FERGUSON. If the Senator from Michigan thought that this was compensation to the cadet, he would not want to breach that contract; but he did not so understand it.

Mr. GEORGE. Mr. President, I invite attention to the fact that even in municipal law there is no such thing as a volunteer in insurance. Benefits go either to the insured or to his named beneficiary; and one who voluntarily pays a premium never takes any interest in the policy by virtue of that fact alone. He must be the insured or he must be named as a beneficiary. So the United States Government would in any circumstances be a mere volunteer.

I invite the attention of the Senator from Michigan to this language in the law. I think it covers the case. This is taken from the act of April 15, 1935, Public Law 37, Seventy-fourth Congress, with reference to Government life insurance. I should like to read two excerpts. The first reads as follows:

Aviation cadets—

They are the only ones for whom the Government paid out anything.

Mr. FERGUSON. That is correct.

Mr. GEORGE. I read from the act:

Aviation cadets will be issued Government life insurance in the amount of \$10,000, effective from the date of reporting for active duty, and premiums on such insurance shall be paid during the period of their active duty from current appropriations as provided in section 13 of this act. Upon discharge, release from active duty, or other termination of aviation cadet status, such insurance may be continued at the option and at the expense of the individual concerned.

Another quotation:

During their period of active duty aviation cadets will be issued Government life insurance in the amount of \$10,000, the premiums on which shall be paid out of current appropriations as provided in section 7. Upon discharge or upon completion of active duty, aviation cadets will have the option of continuing such policies at their own expense.

It seems to me very clear that it was a part of their contract of service in this particular branch of the service, so long as the aviation cadet occupied a flight-training status. The policy went to him in recognition of the Government's assumption of the extra hazard of the particular service which he was called upon to render.

Mr. FERGUSON. Would the Senator say from reading that part of the statute that in case a cadet had been killed, we will say, after being in the service 3 months, 4 months, or 6 months, and his estate, or the beneficiaries in the policy had been fully paid and the contract closed, his estate is now entitled to this rebate or dividend?

Mr. GEORGE. I should say so, if there is a dividend. The dividend is in part made up of what was, in effect, a charge in excess of the amount which in the light of experience gained after the issuance of the insurance would have been adequate to carry the risk. We have learned much about longevity. Medical science has made great contributions in this war. As a result, the premium assumed by the Government, as a part of the aviation trainees' compensation has been shown to be somewhat more than adequate. Nevertheless, when we write a solemn law and say, "This is what the aviation cadet is entitled to receive," specifying the amount of the policy and specifically declaring that the Government is to carry the policy while he is in a training status, it seems to me that then he becomes entitled to whatever benefits the policy carries. The Administrator may not make this calculation on the basis of the payments made subsequent to the termination of the cadetship, so to speak.

Mr. FERGUSON. That is what the Senator from Michigan thinks should be done.

Mr. GEORGE. I should like to see the Administrator free to make calculations on a sound legal and actuarial basis so that starting next year he can make disbursements of dividends. I believe that the Veterans' Administration would have to calculate anything that accrued under a policy and pay it to the legal owner of the policy, who would be the insured, or in the event of his death, the beneficiary. I do not believe that the volunteer doctrine applies at all in the general field of insurance.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. WILEY. I have followed the argument of the distinguished Senator, and I think I agree with him. I wish to raise only one question. I came into the Chamber rather late, and I heard the statement of the Senator from Michigan [Mr. FERGUSON] as to premiums. I raise this question:

Assuming—as the view seems to be now—that the legitimate premium is \$15, and by mistake I, a volunteer, pay in \$30. Later it is discovered that the legitimate premium is \$15. Where does the other \$15 go?

Mr. GEORGE. I should say that it was a mistake or accident on the part of the party who paid it in, who owned it. But that is not this case. The Government itself said, "We will issue this policy for a stated amount. We will take care of the premium," and the policy was issued. Subsequently, after the cadetship ended and the commissioned officer went into service, he continued to pay premiums, and is now entitled to whatever dividends may be declared

upon the policy. The Government made monthly payments of the premiums on the policies from the appropriations for the pay of the Army and the Navy which gives added force to the reasoning that these premiums constituted a part of the trainees' compensation.

Mr. O'MAHONEY. Mr. President, I have before me a copy of a letter which was written to the Senator from Georgia [Mr. GEORGE] by the Veterans' Administration. It was written to him as the chairman of the committee having legislative jurisdiction over this question. A copy of the letter was sent to me by Administrator Gray. I confess that the letter convinced me. The argument in the letter is set forth very cogently, and in very brief form. Administrator Gray says:

But there is a more fundamental question—whether the Congress has the power to impound the dividends. That, of course, depends upon who owns them. If they belong to the United States, the language of the bill is apt, and the result is within the power of the Congress; if they belong to the insured, or the beneficiary in a matured policy, then the result would be a taking of property at least without just compensation and arguably without due process.

It is my opinion the dividends are the property of the insured, or of the beneficiary; and the regulations of the Veterans' Administration, having the effect of law if not inconsistent with the statute, so held in accord with practice and precedent (both administrative and judicial) over many years. The reasons are:

(a) The insurance policies are contracts (*White v. U. S.*, 270 U. S. 175);

(b) The Government is bound by such contracts (*Lynch, Wilner v. U. S.*, 292 U. S. 571);

(c) Congress, while it may change the means of enforcing (i. e., may withdraw the right to sue), may not constitutionally take away, or impair, the rights under such contracts (*ibid.*);

(d) It has been held uniformly by the courts that the proceeds of insurance policies, including dividends, belong to the insured (or the beneficiary) even though the premiums were paid by a third party;

In the face of that, I felt that I should not object to the rejection of the committee amendment.

Mr. FERGUSON. Mr. President, I would agree with the Senator from Wyoming that if the payments were made as a consideration to the veteran, they should be returned to him, because he should not lose his consideration. But as the Senator from Michigan read the act providing for the issuance of this free insurance to the aviation cadet for a certain period, during the time when he was a cadet, when it was discovered that in the furnishing of insurance to the cadet the Government paid in an extra amount of premium not required to carry the policy for that length of time, the Federal Government rather than the veteran himself should get back that which had been paid in, unless it could be said that it was a consideration to him to induce him to join the service. If it was, then he should certainly get it.

However, I do not take the two citations which have been read as showing anything else than that the insurance was a contract, and that while we can take away the remedy, we cannot take away any substantive rights.

Mr. O'MAHONEY. It is a contract precisely because the free insurance, that is to say, the insurance upon which the Government paid the premiums, was given to the aviation cadet, and only to the aviation cadet, as a consideration for the extra hazard he was undertaking.

Mr. FERGUSON. The Senator from Michigan is not convinced up to this time that it was a consideration. If he came to that conclusion from the act, then there is no doubt that the veteran would be entitled to it.

Mr. O'MAHONEY. It involves clearly a matter of legislation, and for that reason, since the chairman of the committee which has legislative jurisdiction takes the very strong position which he does, which is the same position as that taken by the Veterans' Administration, I feel that we may very well reject the committee amendment.

Mr. FERGUSON. If the able chairman of the Finance Committee would in the meantime consider all ramifications of this matter and should come to the conclusion that legislation was essential in order to make sure that the Government got back the money, that would be one thing. But if it were to be determined that it was not essential and if the money was not paid out in the meantime—let us say not before we return here in the fall, at which time the legislative body could act on such legislation—then there would be no reason not to take it up then. Do I correctly understand that is what the chairman of the committee has in mind?

Mr. GEORGE. Yes; except that I wish to amend that by saying that I have in mind bringing it before the whole Finance Committee and there canvassing the matter very carefully, and probably having the Veterans' Administrator come before us, and probably having the Comptroller General come before us, because if this money does properly belong to the Government, we do not want to pay it out.

I do not know how long it will take to get action on this matter. That will depend on how long the Senate is in session. But of course no disbursements can be made until January. So that will provide ample opportunity to have this matter fully considered.

That is the reason why I object to the proviso.

Mr. FERGUSON. Under the circumstances, this being purely a legal proposition, and inasmuch as this is legislation on an appropriation bill, and therefore subject to a point of order, which can return the bill to committee, as we have discovered in the last few days, I have no objection to the deletion of this proviso from the bill.

Mr. O'MAHONEY. The Senator is referring to the committee amendment which begins in line 24, on page 61; is he not?

Mr. FERGUSON. That is correct.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that, out of order, that amendment may be considered at this time.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be stated.

The LEGISLATIVE CLERK. On page 61, in line 24, after the word "act", it is proposed to insert a colon and the following additional proviso: "Provided further, That no part of this fund shall be used to pay insurance dividends to any policyholder whose premiums were paid by the United States Government and that such dividends that may accrue shall be deposited in the Treasury as miscellaneous receipts."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 61, in line 21, which has previously been stated.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Independent Offices—General provisions," on page 65, line 16, after the word "agencies", to strike out the colon and the following additional proviso: "Provided further, That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended."

Mr. WILLIAMS. Mr. President, there is pending a motion to reconsider the vote taken by the Senate on the committee amendment appearing on page 11, in line 9. I understood that it was expected that that motion would be called up after action on all the committee amendments is taken. However, some Members of the Senate will have to be away later in the day, and they have requested that the motion be taken up at this time, because a roll call will be required. I have conferred with the chairman of the committee about this matter, and he is agreeable.

Therefore, I ask unanimous consent that at this time, before action on the remaining committee amendments is completed, the Senate consider the motion offered by the Senator from Iowa [Mr. GILLETTE] and the Senator from Nevada [Mr. MALONE] to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

Mr. O'MAHONEY. Mr. President, I understand that this probably will be the last yea-and-nay vote on any of the committee amendments. Therefore, I think it is desirable, in the interest of expediting action on the bill, that such unanimous consent be granted; and I hope it will be granted.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

Mr. O'MAHONEY. Mr. President, I join in suggesting the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bridges	Chapman
Anderson	Butler	Chavez
Baldwin	Byrd	Connally
Brewster	Cain	Cordon
Bricker	Capehart	Donnell

Douglas	Kefauver	O'Connor
Downey	Kem	O'Mahoney
Dulles	Kerr	Pepper
Eaton	Kilgore	Robertson
Ellender	Knowland	Russell
Ferguson	Langer	Saltonstall
Flanders	Lodge	Schoeppel
Frear	Long	Smith, Maine
Fulbright	Lucas	Smith, N. J.
George	McCarran	Sparkman
Gillette	McCarthy	Stennis
Graham	McClellan	Taft
Green	McFarland	Taylor
Gurney	McGrath	Thomas, Okla.
Hayden	McKellar	Thomas, Utah
Hendrickson	McMahon	Thye
Hickenlooper	Magnuson	Tobey
Hill	Malone	Tydings
Hoev	Martin	Vandenberg
Holland	Maybank	Watkins
Humphrey	Miller	Wherry
Hunt	Millikin	Wiley
Ives	Morse	Williams
Jenner	Mundt	Withers
Johnson, Colo.	Murray	Young
Johnson, Tex.	Myers	
Johnston, S. C.	Neely	

The PRESIDING OFFICER. A quorum is present. The question before the Senate is on agreeing to the motion to reconsider the vote by which the committee amendment appearing on page 11, line 9, was rejected.

Mr. FERGUSON. Mr. President, I assume the motion is debatable.

The PRESIDING OFFICER. It is.

Mr. FERGUSON. The amendment on page 11 of the independent offices appropriation bill relates to the Civil Service Commission. The House of Representatives placed in the bill the sum of \$14,000,000 for salaries and expenses of the United States Civil Service Commission. The Senate Committee on Appropriations recommended an amendment increasing the amount to \$16,250,000. A vote was taken by the Senate, and the Senate decided upon the sum of \$14,000,000. In other words, it rejected the proposed increase of \$2,250,000 and returned to the House figure.

It was a matter purely of personnel. The Commission had grown from 3,414 employees to 3,899, and the Bureau of the Budget proposed 4,069. In 1949 it had 4,178. If the Senate retains the House figure, the Civil Service Commission will have 485 fewer employees than it has at the present time.

Mr. President, there is a statute of the United States which prohibits any department from lobbying. Here is a case which is crystal clear as to what happened from the day the Senate of the United States acted on this amount of money. The Civil Service Commission has undertaken to lobby the Senate of the United States to restore the amount. Senators have been called from the floor by employees of the Civil Service Commission and told, in effect, that if the sum of money recommended by the committee is not restored certain employees will be discharged. That is not all that has been done. Senators of the United States have been called by persons back home in their States who were connected with the Veterans' Bureau, and have been told that disabled veterans would be discharged in the event the Senate of the United States does not restore this amount.

Should we expect such things from a bureau which is under the Congress of the United States? Should we expect that it would stoop so low as to threaten

disabled veterans with discharge so that such disabled veterans would go to their Senators and try to have the amount restored to enable the Commission to operate as it feels it should operate and not as the Senate of the United States believes it should operate?

Mr. President, I do not suppose there has been a more flagrant case of lobbying in violation of the statute than is this particular instance. The Senate acted, and now we find that the heat has been put on. The whole question is, Can the Senate of the United States stand the heat from any pressure group? So far as the Senator from Michigan is concerned, it makes no difference whether the pressure group is a bureau of the United States Government or any other group, he is not going to allow the pressure to be put on him and to be threatened with the statement that disabled veterans will be discharged unless we restore this sum.

Mr. LONG. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LONG. Does the Senator actually know that specific employees were threatened with discharge unless the Senate restored this amount to the bill?

Mr. FERGUSON. The Senator from Michigan has been advised that Senators have been called from the floor—at least one Senator—and told that by an employee. Other Senators have advised the Senator from Michigan that they have received calls from their home States, from veterans, indicating that this sum had to go back into the bill, or disabled veterans would lose their jobs.

Mr. LONG. I will say that the Senator from Louisiana was approached by labor organizations, but I do not believe I have been approached by any representatives of the Commission itself. Does the Senator know that any representative of the Commission itself was contacting Senators in this connection?

Mr. FERGUSON. The Senator from Vermont can speak for himself on this subject.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. In the past few years we have seen an almost complete breakdown of the Civil Service Commission. I hope the Senator from Louisiana is in a position to do something about it. First, it was because of the war. The Commission was required to qualify long lists of persons overnight, and it broke down. The situation became so bad that the Hoover Commission, after a very complete study of the subject, has recommended that each Government agency hire and fire its own help, subject only to general qualifications and examinations by the Civil Service Commission.

I do not recall, Mr. President, whether I was present when the cut was made from \$16,250,000 to \$14,000,000. I will say, however, that the next day I received a call from an employee of the Veterans' Administration saying that they wished very much to have the amount restored, because if the cut stood, the Civil Service Commission planned to eliminate a large number of employees who were qualifying veterans.

In other words, they had been given to understand that if the cut stood, the Civil Service Commission would apply it where it would hurt the most, namely, on the veterans.

I received a telegram from one of the veterans' agencies in my home State, protesting this cut for the same reason. A few minutes ago I was called from the floor and found an employee of the Civil Service Commission waiting for me outside; in fact, there were two. One was a constituent. They asked to have the cut restored. I told them in no uncertain terms that they were violating the lobbying law, and I told them to go back and tell the Civil Service Commission that if it did not stop this lobbying the whole group should be impeached. Of course, the Senate cannot do that. I think it is a very contemptible proceeding to threaten the dismissal of men and women engaged in qualifying veterans unless the amount is restored to the bill. The evidence is very strong that the Civil Service Commission is back of this lobbying activity. In so doing it is violating the law which Congress has enacted. It has gone too far.

I am not inclined to divulge the names of the persons who have called me and talked to me. I am not the only Senator who has been called by an employee from his home State. The inference is that he might lose his job if we do not restore this sum.

Again I say it is a most contemptible proceeding, and the Civil Service Commission should be called to account for indulging in such practices. Certainly it should not have the amount restored after the activity to which it has reduced itself.

VETERANS' PREFERENCE

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MALONE. Mr. President, there have been some very grave accusations made here. I want to say that I do not fear so-called lobbyists. If a lobbyist representing the veterans has some information I do not have, I am glad to see him. If I am not competent to separate the wheat from the chaff and to terminate the conference without being unduly influenced, then I should not be here.

I joined in the motion to reconsider, for the reason that I know something about veterans' preference, and I am sincerely interested in it. I have not received any telegrams from home in connection with the matter. They probably know nothing about any action. I am glad to have information from anyone who has more information than I have. I do not fear lobbying on any matter. I think there may be some Members of the Senate who know that by this time. I have been here only 2½ years, but I vote as I think proper when the time comes, and I hope that I never have a closed mind on any important subject.

What veterans' preference means, if it means anything, is that when a veteran is fully qualified for a job he receives a certain advantage number of rating points. It means nothing, unless

someone supervises it, as we all know, having learned the hard way.

Mr. President, I was State engineer of Nevada and Colorado River Commissioner in 1930 and 1931 when the Boulder Dam contracts for construction were being let. It is now called Hoover Dam. There were many veterans out of work at that time. I am the one who initiated the veterans' preference and insisted that such a clause be put into contracts let by the Secretary of the Interior. I say I insisted on it. I was told that if the veterans' preference was put into the contract they could not get bids from contractors. I said, "Let us try it." It was done and before we were 60 days on the job the contractors said they liked it. The American Legion and the Veterans of Foreign Wars took the brunt of it. I had been department commander and knew the veterans in the area. After 60 days it was said that if it had not been for the personnel supervision exercised by a representative of the veterans they could not have operated it as efficiently as it was operated. The veterans got the job when they were as well qualified as other applicants. We found also that unless there was supervision, the veterans' preference meant nothing.

Mr. President, we have had two other epidemics of economy in this country in the past 15 years. The first one was in 1934, when the veterans' compensation was slashed across the board without rhyme or reason. I did not agree with the method then, and I do not agree with it now; unless it is done in a businesslike way and people understand what they are doing, only hardship can result. The people did not understand it since it came under the guise of economy. The only place where there was any economy in 15 years up to 1949 was in the veterans' compensation cut across the board in 1934.

Recently we had a report from a man whom I greatly admire, ex-President Hoover. I knew him before he was President. I liked him then, and I like him now. But the only economy we have had since 1934 was in appropriations for veterans' hospitals. And there they did not make sense. It was a hasty ill-advised move not well thought out and I am against that kind of economy. I was against it when it was suggested, and I am against it now, unless it is handled in a businesslike way, so that we can know where the disabled veterans out of the 18,500,000 boys and girls are to be cared for. We have a veterans' hospital in Reno, Nev., and there are not anywhere near enough beds for the veterans who need them in the area served by that unit—we need another unit in southern Nevada—near Las Vegas. Distances are great out in the open spaces. My State of Nevada is nearly 600 miles by 400 miles wide.

Mr. President, my reason for joining in the motion to reconsider is that I have voted for all the economy suggestions that have been made, and I am still for economy, but I have looked into the pending matter, which I had not had the time to do previous to the first vote, and I ask my colleagues to think over what the reduction in the appropriation means

to the veterans' preference set up by Congress if the system is not properly supervised.

Mr. President, there are in this country 18,500,000 veterans, men and women. They lost anywhere from 2 to 5 years from their civilian occupations or school. Some of them were injured, some were not. Some are crippled, but can handle certain available jobs.

According to the law which was passed by the Congress and signed by the President, every one of those veterans is entitled to a certain number of points of preference, according to the service he rendered. Unless there is proper supervision when the law is being carried out, we might as well wipe it off the books. There are many people in this country who would like to wipe it off or make it ineffective.

Mr. AIKEN. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the Senator from Vermont.

Mr. AIKEN. Does the Senator have any information showing that it is necessary to make this cut at the expense of the veterans?

Mr. MALONE. Yes; I have.

Mr. AIKEN. Does the Senator know that it is necessary to make a reduction in the provisions affecting the veterans? If he does, he has more information than I have after several months' work on the Hoover Commission.

Mr. MALONE. I do not understand the Senator. Will he repeat his statement?

Mr. AIKEN. I say, Does the Senator from Nevada know that it is going to be necessary to take this cut out of the veterans' appropriations?

Mr. MALONE. I know it is going to take money out of that part of the Civil Service Commission that holds examinations and the rating of veterans' preferences, and if it is taken out, proper hearings cannot be held by the central board. \$1,750,000 is a part of the money that goes to such boards and includes the work for a veterans' preference.

Mr. AIKEN. I do not believe it is necessary to take one single person away from the list of qualified veterans work.

Mr. MALONE. If the Senator has more information, let us have it.

Mr. AIKEN. I think I have.

Mr. MALONE. Let the Senator put it in the Record.

Mr. AIKEN. There will be quite a lot of it.

Mr. MALONE. Put it in. There is room for it. The Record takes everything. I put my information in the Record and am ready to debate it.

Mr. AIKEN. Let the Senator from Nevada put his evidence in the Record that this cut would have to come out of the veterans.

Mr. MALONE. I have put it in the Record and explained exactly how it effects the veterans' preference.

Mr. AIKEN. It is not satisfactory.

Mr. MALONE. It may not be to the Senator; it is to me—\$1,750,000 goes to the division including the boards holding the necessary hearings. If the Senator wants me to read some more of it, I shall read it, but I think it is all right here.

If there is information to the contrary I should be the first to vote against the provision. If the Senator has any information that it does not come out of the division containing the boards that hold the hearings. To reduce this appropriation would mean that each department would hold its own hearings on fitness and veterans' preferences rating, and it would mean two or three or four times the expense in the long run, over the method now in use.

It is easy enough to say more men will not be put on, but the Senator and I know they do put them on, and he and I know that deficiency bills are brought up every year, and are passed with very little comment.

Mr. WILLIAMS. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the Senator from Delaware.

Mr. WILLIAMS. Did I understand the Senator from Nevada correctly to say that \$1,750,000 of this appropriation would go to the veterans?

Mr. MALONE. No; it goes to the Civil Service Commission, which conducts the hearings for all the divisions of the Government.

Mr. WILLIAMS. Does the Senator realize that what he is proposing to do is to put \$2,250,000 back into this appropriation in order to give this particular project he favors \$175,000?

Mr. MALONE. No; I do not think that is entirely correct.

Mr. WILLIAMS. According to the Senator's own figures, about 10 percent of this appropriation goes to take care of functions which he has described, and in which he is most interested. Based upon that, they are getting a cut of about \$175,000. Therefore what the Senator is asking us to do is to restore to the appropriation \$2,250,000 in order that the Civil Service Commission will not take \$175,000 away from the veterans' functions.

Mr. MALONE. It is possible that I do not have all the information. It may be strictly true that it is also used to pay the salaries and expenses of all of the hearings including the veterans' division of the board supported by the \$1,750,000. All the hearings held by the entire Civil Service Commission, which passes on this subject, may be financed by the million and three-quarters appropriation. Therefore the cut curtails the necessary work in this connection.

Mr. WILLIAMS. No; I agree with the Senator that it does not apply merely to the one subject, but the Senator himself said \$1,750,000 of this whole appropriation goes to take care of the veterans' portion of the appropriation. That is about 10 percent.

Mr. MALONE. I did not intend it that way.

Mr. WILLIAMS. How did the Senator intend it? What the Senate did the other day was to cut the appropriation about 10 percent, which would mean, if the action were upheld and it were passed down the line, that it would be a cut of about 10 percent all through. In order to restore the \$175,000 of the proposed cut, the Senator is asking the Senate to put \$2,250,000 back into the fund, and

the Civil Service Commission then will have an additional salary fund of a little over a million dollars.

Mr. MALONE. I do not understand that it operates that way. If we could earmark the \$1,750,000, or the necessary amount, for the work, I would agree, but unfortunately it is not earmarked, and it is probably impractical to consider such procedure at this late date. In lieu of such centralized hearings and veterans' listings for all the departments, it is suggested in the report that each department of Government handle its own business, which would mean that for the entire country perhaps as many as 2,000 boards would be set up to hold such hearings. In other words, if a veteran in Nevada, or New Jersey, or Delaware, wanted a job, there would be about 150 boards in his area to which he would have to apply, but if it were centralized, as it now is, he would be taken care of by putting his application before one board, so that he would be available and be on the list, and he would not have to worry about 150 other boards, which he could not find in the first place and probably could not contact the proper person in the second place.

Mr. WILLIAMS. Did I understand the Senator correctly to say that the portion of this bill in which he is most concerned is that pertaining to the veterans' section?

Mr. MALONE. Mr. President, I am particularly concerned in the work the Civil Service Commission does in connection with the hearings affecting the veterans' preferences. I think it is impossible to isolate that item and say that numerous separate boards can be set up to hold the hearings particularly for veterans. The centralized board holding the hearings on the applications needs to hold them only in one place.

I have had particular experience, I may say to the Senator from Delaware, in the veterans' preference field over the years. I have also paid particular attention to the construction of veterans' hospitals since World War I. I have resented bitterly the 1934-across-the-board cuts on disabled veterans' compensation and the 1949 slash on veterans' hospitals with no public investigation or sense to them at all. I think the same situation applies now.

I do not think there is a Senator on the Senate floor who understood what he was voting for when the vote was taken. I admit I did not until I looked carefully into the matter. I bitterly resent it being said that a veteran does not have the right to call a Senator off this floor or come to his office and discuss the very subject in which he is most proficient—including disabled veterans' compensation, hospital capacity, and veterans' preference for work for his Government under a law passed by the Congress of the United States—personally, I am glad to have them come to see me.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. AIKEN. The Senator realizes, of course, that the cut in the veterans' hospitals was due to an Executive order issued by the President?

Mr. MALONE. I do understand that; but it was encouraged through the report that was made by a commission, and I do not like that.

Mr. AIKEN. But the President made that cut.

Mr. MALONE. I do not like it any more because he made it than if the Commission had made it directly. I simply do not like tinkering with it without proper hearings and investigation—it was set up in a day and it should not be upset in a few hours.

Mr. AIKEN. I do not think anyone objects to the use of any funds which are available to provide this service for veterans. I, for one, maintain that the Civil Service Commission can perform this function without taking the funds out of the veterans. I am resentful that they have apparently asked veterans to lobby for them and practically threaten them to lessen this service unless they get the cut restored. When they send those employees here to lobby—of course the employees say they were not sent, and it would not do for them to say they were sent—they are asking such employees to violate the law. It is possible to furnish this service to the Veterans' Administration with the money which is made available. They do not have to take the money out of the veterans. But they are following the practice of other Government agencies when their appropriations are cut, by applying the cut where it will hurt most. I am perfectly willing to earmark a part of this money, a sufficient part of it, to perform this service for the veterans, if the Senator from Nevada will feel any better about it, because the money can be saved elsewhere.

Mr. MALONE. Mr. President, it requires a long time for an expert to make a watch—but a very short time for an amateur to destroy it. I should like to ask the Senator a question in my own time. My information is that these hearings are held by the Civil Service Board; that the veterans preferences and the veterans' applications are handled by the veterans' division of the Civil Service Board. This is a centralized agency. I agree that the veteran should not have to go to 175 boards in the Senator's State or in my State or in any other State to put in his applications, and chase these fellows all over the country, because there are a lot of them who were too busy to go to any war, and they bitterly resent the veterans' preference. I have worked to nullify it since the Congress set it up. I ask the Senator if he does not know that what I have said is a fact at this time.

Mr. O'MAHONEY. Mr. President, I wonder if the Senator—

Mr. MALONE. I will yield to the Senator from Wyoming in a minute. I have asked a question of the Senator from Vermont and I should like to have it answered.

Mr. AIKEN. How that work is done at this particular time I cannot say. I know everyone favors the work being done adequately. But I know from months of study of the Civil Service Commission that they are wasting a great deal of money through inefficiency, and that they can save a good deal of

money. As a Government agency they have pretty well broken down.

Mr. MALONE. Mr. President, I do not doubt that what the Senator says is true, but it is happening in every agency, and there is no way of stopping it without a complete change.

Mr. AIKEN. That is correct. It has been the practice of all these agencies, when their appropriations have been cut, such as was the case with the Customs Bureau 2 years ago, to make the cuts apply where it will hurt the Members of Congress most.

Mr. MALONE. I agree with that statement.

Mr. AIKEN. I think it is time Congress stood up on its hind legs and told the various Government agencies they cannot do that. If the Senator from Nevada wishes to earmark a sufficient amount of this fund to have this service properly performed for the veterans, if he will determine exactly what the amount should be, I shall be very glad to support him, because I am sure the increase in this particular place can be saved in other places.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MALONE. I will yield to the Senator from Wyoming in a moment.

I will say to the Senator from Vermont that I doubt if it is possible to do what he has suggested at this late date. If we started to earmark certain funds, say certain amounts, for this and that purpose in a department, it would require the time of half the Members of the Senate to supervise such a program, while the other half of the Senate would handle the general business of the country. The Senator from Vermont knows that to be true as well as I do. I believe the cuts which were made in the compensation to veterans in 1934 and the cuts in the veterans' hospitals in 1949 were made without any rhyme or reason. Now it is proposed to make ineffective the veterans preference in the same manner. The only thing left to the veterans is this little 10 points preference. I am going to stand up in defense of that right until any attempt to change it makes some sense. There are 18,500,000 veterans in this country, many of whom are handicapped through their war experience—they gave up from 2 to 5 years of their lives in the service of their country, and they are entitled to the preference that the Congress has provided for them.

Mr. AIKEN. No one disagrees at all with what we owe the veterans. The question we are now discussing is the Civil Service Commission and not the Veterans' Administration.

Mr. O'MAHONEY. Mr. President—
Mr. MALONE. Mr. President, do I have the floor?

The VICE PRESIDENT. The Senator from Nevada has the floor.

Mr. MALONE. I want to say in answer to that statement, that I believe I could have discussed the matter much more calmly if the insinuation had not been made on the Senate floor, first that anyone upholding the proper administration of the veterans' preference was susceptible to lobbying by the veterans. I

say that if we are not able to take care of ourselves when we receive information from someone who may have more accurate information that we have on a subject, then we should not be in the Senate. I have worked on the proper administration, including the construction of disabled-veterans' hospitals for 30 years, and feel I do have first-hand information.

Mr. AIKEN. Will the Senator from Nevada explain where any such accusation came from?

Mr. MALONE. I should like to have the record of what the Senator put into the Record at the start of the debate read.

Mr. AIKEN. Did the Senator see any signs on the part of the Senator from Vermont that he had been influenced by the lobbying?

Mr. MALONE. I did not know about that. I merely said there was an accusation and insinuation made here that I did not like.

Mr. AIKEN. There was no such accusation made by the Senator from Vermont.

Mr. MALONE. The Senator from Michigan [Mr. FERGUSON] made some such accusation, at least, I so understood.

Mr. FERGUSON. The Senator from Michigan was not speaking about the Senator from Nevada.

Mr. AIKEN. The Senator from Nevada is in error if he believes any accusation of susceptibility to lobbyists was made.

Mr. FERGUSON. What I was trying to accomplish—

Mr. MALONE. Of course, I do not mean to imply that the Senator accused the junior Senator from Nevada of being influenced, but there was a general blanket insinuation that the veterans were influencing Senators in this connection and that they were not being guided by the facts of the case.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. O'MAHONEY. Mr. President, I wanted to say to the Senator from Nevada that one does not have to depend upon anything one hears by way of personal lobbying or over any telephone to know what the facts are in this case. I came here as chairman of the subcommittee in charge of the bill defending an increase of \$2,500,000 which we made in this appropriation. That amendment was defeated by 3 votes on the 27th of July, 38 Senators having voted for the increase and 41 having voted in opposition to it.

The facts which were before the Committee on Appropriations and which I tried, perhaps inadequately, to present upon this floor show that what the Senator from Nevada has been saying is absolutely correct. The justification for allocation of the United States Civil Service Commission's salaries and expenses shows that of the various projects which are carried on by the Civil Service Commission, examining, placement, and veterans' preference is No. 1; investigation is No. 2; personnel classi-

fication is No. 3; retirement is No. 4; service records is No. 5; Federal Personnel Council is No. 6; adjudication of veterans' and other appeals is No. 7; executive and administrative services is No. 8. Then comes miscellaneous services.

Of all those, the largest item is the item of examining, placement, and veterans' preferences. For the fiscal year 1949 there was appropriated for this particular project \$5,631,000. The House of Representatives reduced that amount by \$2,317,000. In other words, it reduced by 40 percent the appropriation for examinations under which veterans' preferences are made. The committee felt that that was an excessive reduction. There can be no question in the world that such a reduction would necessarily have the effect of making it much more difficult for the Civil Service Commission to grant the veterans' preference which is effected by law.

The budget estimate for this item was \$17,520,000, and the House reduced it to \$14,000,000—a reduction of \$3,520,000. One of the effects of that reduction, according to the statement by the House committee, would be the decentralization of examinations by which the various departments and agencies of Government would undertake to conduct their own examinations. Our committee felt that the result would inevitably be to increase the expense and decrease the efficiency. So I say to the Senator from Nevada that the issues here are plainly issues upon facts. If there is any guilt upon the part of any civil servant of the United States, whether he be an employee in a subordinate role, or whether he be a member of the Commission, that is a personal guilt. Let such person be charged and brought before the Committee on Post Office and Civil Service. But let us make a differentiation in our minds, in all logic and reason, between the necessity for an appropriation to do the work which Congress has required the Commission to do and the personal guilt of some unnamed official—some unnamed employee—who may have been guilty of lobbying.

A little while after the Senator from Vermont came to me and said there was lobbying, a card was sent in and I was invited out by a gentleman. I went out to see him. He was Mr. Moulton, executive secretary of the Federation of Government Employees. I asked him, "Are you a Government employee calling to lobby me on this bill?" He said, "I am not a Government employee. I am an employee of the association."

It may be that some of the other charges of lobbying may be without foundation, too. I do not know; but I ask Members of the Senate to distinguish clearly between the two issues.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. O'MAHONEY. The Senator from Nevada [Mr. MALONE] has the floor.

Mr. MALONE. Mr. President, I thank the Senator from Wyoming. I think he has made a very thorough explanation. So far as I am concerned, the record is clear. I am for economy, but I believe we were wrong in our first action. It is not economy to have these examinations

thrown out among three or four hundred, or fifteen hundred boards, as the facts seem to indicate might happen. Furthermore, it is not carrying out the spirit and intent of the veterans' preference law to allow such hearings and ratings to go by default. Personally I am extremely interested to see that that particular law is made effective, because veterans have had disadvantages which others who did not go to war did not suffer.

I am glad now to yield to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I should like to see if I have this problem straight in my own mind. If I correctly understand the problem, if we disallow the \$2,317,000 the Civil Service Commission will be unable to handle the examinations and 2,000 or more divisions or departments of government will set up their own examining boards, which will average about 3 people to each board, at a cost of about \$5,000 each. The disallowance of this \$2,317,000 might well cost the Government \$40,000,000. Am I correct in that statement?

Mr. O'MAHONEY. I would not guess at the amount it might cost, but I think it would be vastly in excess of the increase which the committee recommends.

Mr. CAPEHART. Is it not a fact that if we eliminate this increase in the appropriation, the Civil Service Commission will be unable to conduct the examinations?

Mr. O'MAHONEY. The House committee specifically directed the Commission to decentralize. Let me read from the report. I read from page 10 of the report of the House committee:

Figures presented by the Commission were to the effect that in excess of 50 percent of placements during the next fiscal year will be made as a result of examining and recruiting work to be performed by the agencies. The committee is of the opinion that this is a conservative estimate and that a much larger percentage of this work could be performed by the departments with resulting economy and efficiency. This procedure would be in line, also, with the recommendations of the committee in providing a reduction in funds for the fiscal year 1950.

In other words, the House committee, in cutting \$2,317,000 from this very item for examinations and veterans' preferences, was directing decentralization to the departments and agencies. The result is bound to be, with respect to veterans, that agency A will have one rule for veterans' preference, agency B will have another, and agency C still another. There will be no uniformity.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. MALONE. I yield.

Mr. CAPEHART. Furthermore, is it not a fact that each agency then will set up its own board, which might well consist of three or more people?

Mr. O'MAHONEY. The Senator is correct. That would increase the expense. We would have deficiency appropriations for an additional \$2,500,000. At least, that was the judgment of the committee. If we want to decentralize, if we want to adopt some other method of handling the Civil Service Commission, we should do so through legislation which is considered by the appropriate legislative committee,

and it should not be done by means of a slash in the appropriation.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. MALONE. I yield.

Mr. CAPEHART. Is it not a fact that it would cost the Government more money to eliminate the \$2,317,000 and have decentralization than it would to allow the appropriation recommended by the committee?

Mr. O'MAHONEY. I have no doubt of it in my own mind. That was the way the committee felt.

Mr. MALONE. Mr. President, I have completed my statement. I am sorry that I did not first approach the subject in a calmer frame of mind; but Mr. President, please understand that this subject is one in which I have been interested in since World War I. The statements thus indicating that veterans should not discuss a subject so vital to them with a Senator simply irritated me.

The Congress of the United States worked out a method so that, other things being equal, we could favor a man securing a civil-service job who had lost 2 or 3 years of his life and perhaps an arm or leg, in the service, in filling a job for which he is fully qualified. We have no brief for anyone who is not fully qualified. I sincerely believe that the appropriation asked for would accomplish that purpose. I have no means of knowing whether it would require exactly \$2,300,000, or a little more or a little less for the job. At least, however, that is the estimate. Of course, there is no way of segregating the amounts at this late date.

We want to see the many years of precedent in veterans preference made effective. If there should be a change in the law let Congress change it, but do not attempt to nullify it through lack of organization to carry it out.

Let us carry out the spirit and the intent of Congress when the Veterans' Preference Act was passed—and that is when a veteran is qualified for the job, let him have it.

Without the proper machinery to make it effective the act is of no consequence.

Mr. HUMPHREY. Mr. President, I shall be very brief in my remarks. I join with the Senator from Nevada in his statement with reference to the restoration of the full amount for the Civil Service Commission.

I listened to the greater part of the remarks of the distinguished chairman of the subcommittee handling the independent offices appropriation bill. I think we ought to take one or two factors into consideration.

First of all, there has been a great deal of condemnation of the Civil Service Commission. I submit to my colleagues that while the Civil Service Commission has irked me at times, and while I have recognized inadequacies in the handling of some of the cases which come to the Civil Service Commission, as was pointed out, many thousands of temporary war appointees had to be processed by the Commission. Following the cessation of hostilities, the same thousands of Federal employees had to

be reprocessed in terms of examinations for permanent positions.

To be sure, in handling the large number of employees which the Civil Service Commission has been required to handle, there have been mistakes. Those mistakes have brought forth a flood of criticism upon the Commission.

However, it is the policy of the Government to maintain the merit system. It is the policy of the Government to have a civil-service system. It is further the policy of the Government to have a veterans' preference system. To weaken the Civil Service Commission at this time, either in its merit system or in its veterans' preference system, would be to abrogate the established policy of the Congress; in fact, the policy of the Nation.

I have heard comments about the Civil Service Commission doing lobbying. I am confident that many of us have received telephone calls. Some of us have received letters and telegrams. I have not been privileged to receive letters and telegrams. However, I will say, for those who have been advocates of the restoration of the Senate committee's figure in the civil-service appropriation, that if they have lobbied they have done so openly and aboveboard. They have been clean-cut about it. Those who have talked to me have not been from the Civil Service Commission. They have been friends of mine who are interested in personnel policies in the Government.

I point out that other kinds of lobbying go on in Washington which are much more subtle than that conducted by those who are interested in the civil service. It is the kind of lobbying, if you please, by which Senators are taken out to dinner or are offered the pleasantries and the sociability of all the nice things that come in a great metropolitan city such as Washington. But let me point out that the poor friends of the civil servants are not capable of taking us out to dinner or offering us the higher types of sociability of this city. The kind of lobbying that has come to the Senator from Minnesota is this: We learn that there is a program for the reform of the civil-service system. That program is to be established under a recommendation of the President. To take away the funds at this time would be definitely to weaken the program which is in the offing.

Another point, Mr. President: When the Government agencies start to decentralize, so that there are experts in every agency, we can say of the Civil Service that it is in its last days, because the only way the Civil Service can operate is as a nonpartisan, impartial, disinterested agency removed from the various other agencies of government. So long as the department heads, the secretaries and assistant secretaries, who direct the policies of the agencies are going to have the say as to recruitment, as to the Board of Examiners, then we can be sure that high-class, objective, impartial civil-service recruitment is through.

I do not wish to make these remarks sound as though I am thoroughly pleased with the Civil Service Commission, be-

cause I am not. It presents a problem of personalities, a problem of basic law. It is connected with the fact that the Congress of the United States has repeatedly amended the Civil Service Act since away back in the 1800's; it is related to the fact that the Congress never has reviewed the entire civil-service program until the Hoover Commission made its report.

As I said, Mr. President, the President has his reorganization plan, which I think is meritorious. Frankly, I shall support it. More than that, I wish to proceed to review the entire basic law pertaining to the civil-service structure of the Government. I call upon my colleagues to support the Senate committee's recommendations. I was not here on the day when this amendment was voted upon.

I also point out that the Civil Service Commission does much more than recruitment and classification, as was so well stated by the Senator from Wyoming. It also handles matters of adjudication, matters of claims, matters of pensions. The same Congress that now is prepared to take away \$2,250,000 from the Civil Service Commission is the Congress which time after time imposes upon that Commission new responsibilities—the responsibility of investigation, the responsibilities of handling the retirement and the pension funds, the responsibilities of adjudication, the responsibilities of handling veterans' preference. The Congress continuously imposes new responsibilities upon the Civil Service Commission, and then says to the Commission, "We will cut back your funds."

Mr. President, there may be those who think this is economy, but I do not think it is. The greatest waste we can have in government is to permit the faulty recruitment of improper personnel. If there is any waste in the Government today, it is either because we have recruited too many people who are incompetent or because we have had incompetent people doing the recruiting. That is not a matter of dollars in the budget, but it is a personnel problem. I submit that the Civil Service Commission should be strengthened, not weakened; and in strengthening it we should at least encourage it by giving it a proper appropriation.

The amount we are now considering is below the budget estimate. I think the figure is \$1,230,000 below the budget estimate. The House of Representatives in its proposal and in its committee report did with this item of the bill what it has done with other items. In other words, the House has not taken into consideration the full nature of the service. In the ECA bill, as it came from the House of Representatives, the House recognized that it was not appropriating sufficient money for the ECA; but the House said, in effect, "Perhaps we shall have a deficiency appropriation for the ECA." Mr. President, the very first bill I voted on in the Senate was a deficiency appropriation bill for the Veterans' Administration. So let us stop kidding ourselves. Are we going to have a deficiency appropriation at the end of the year, or

are we going to appropriate sufficient funds now? To be sure, Mr. President, it is nice for Senators to be able to say to their constituents, upon their return home, "We reduced the appropriations." But that does not mean anything if later there is a deficiency appropriation.

Mr. President, I want the Civil Service Commission to be given the benefit of the doubt in connection with its work, and not have the Congress intrude upon it by way of legislation.

The VICE PRESIDENT. The question is on agreeing to the motion to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

Mr. MORSE. Mr. President, I had not intended to speak on this matter, until I listened to the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Nevada [Mr. MALONE], and the Senator from Minnesota [Mr. HUMPHREY].

So far as I am concerned, I have heard nothing from those distinguished Senators which would justify a reversal of the action taken by the Senate on the civil-service item, because I think all those Senators have been speaking on the basis of a false assumption, namely, that the proposed restoration is necessary in order to give the veterans the assistance which the Senator from Nevada says will be denied them unless the money is restored to the bill.

Mr. President, I am not worried about lobbying tactics. I think it is the individual responsibility of each one of us to judge these matters on the basis of the facts, as we find the facts to be. I have no doubt that the Civil Service Commission has been lobbying, but I do not think any of us are going to stop it or any other Government agency from lobbying. I have no doubt about that because I have talked to some of the people who represent labor and veterans' organizations and who have been sent to me in an attempt to get me to change my vote on the Civil Service Commission item. But they were told in no uncertain terms that my vote would not be changed, because I thought their major premise was wrong.

Mr. President, what has the Civil Service Commission done in its attempts to secure a reconsideration of this cut? What fallacious propaganda has it given to those who are urging us to reconsider this cut? Its representatives have talked about the one thing which they think will most easily frighten the politicians. We are now told that the veterans will be hurt if this money is not restored to the bill. But, Mr. President, I deny that the veterans need to be hurt. I deny it because I say that when the Civil Service Commission takes the money the Congress already has appropriated to it, it will have sufficient money in its budget to give the veterans the service they are entitled to receive from the Commission. Of course the Commission must get rid of some of the red tape that has characterized its functioning. If it frees itself from its own red-tape inefficiency, it will be able to give the veteran the service to which he is entitled under the appropriation now provided in

the bill without the restoration of the cut. I, for one, will not tremble, and my knees will not shake, if the Commission sends a group of people to tell us that if we do not vote for this item, we shall hurt the veterans. I say to the veterans' associations of the country that they should not swallow that "bunk," because they are not doing a good service to the veterans in permitting the Civil Service Commission to get by with that fallacious argument. They should join us in insisting that the Civil Service Commission spend its money wisely, economically, and efficiently. It has enough money in this bill as it now is to do for the veterans what the Commission is now telling the veterans it will not do if the cut stands. The Commission should receive a resounding "no" vote from the Senate this afternoon and then receive direct instructions to see to it that it so uses the money appropriated as to give the very service to the veterans that it now says it will not give unless the cut is restored.

What the Civil Service Commission needs to do is to get rid of its own spoils system and red tape. I do not know of any other agency in the Government that has so encumbered and tied itself up in unnecessary red tape as has the Civil Service Commission. If any Senator thinks the administrative policy of the Civil Service Commission is resulting in a true merit system, he has an idea of a merit system far different from mine. The Civil Service Commission in its red-tape policies is defeating the purpose of a merit system in Federal service. I am not going to vote for any more money for the Commission until we accomplish the end which the Senator from Minnesota says he is so anxious to accomplish; but I want to tell the Senator from Minnesota he will not clean up the Civil Service Commission by voting it more money. All he will do by that is to encourage them in the tactics they have used in this instance. What the veterans' organizations ought to be doing is to get back of those of us who have the courage to serve notice on the Civil Service Commission that its day for house cleaning has come.

The Civil Service Commission now has authority to bring about improvement in its own administrative efficiency, so as to give to veterans the services which the Commission tells us they are going to take away from the veterans unless Senators yield to this sort of pressure. The junior Senator from Oregon will vote "no" to any such tactics as that, and he serves notice on the Civil Service Commission it had better get busy, clean house, make the economies it is capable of making within its present budget, and give the veterans the service which I say the Senator from Nevada [Mr. MALONE] fallaciously argues will be taken away from veterans if we do not restore this cut of \$2,000,000. It will not be taken away from the veterans if the Civil Service Commission does the job it can do within its own budget limitations at the present time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I wonder whether the Senator from Oregon would be interested in knowing that the junior Senator from Minnesota has not heard from a single veteran in reference to the civil-service budget, nor has he talked to a single labor representative about the Civil Service Commission budget.

Mr. MORSE. I am speaking of those to whom the junior Senator from Oregon has talked.

Mr. HUMPHREY. I wonder whether the Senator from Oregon would care to know that the interest I have in the Civil Service Commission and its activities is this: In order to conduct a tremendous amount of reprocessing of papers and of applications and of adjudication of preference rights, the Commission has to be properly staffed, and that, under the appropriation recommended to the Senate by the committee, staff has already been cut, I think, by almost an additional 200 employees below what it was last year.

Mr. MORSE. I merely want to say to the Senator from Minnesota that when the personnel of the Civil Service Commission starts performing the work for the pay they are presently getting, there will be plenty of time to do the job that needs to be done. If we are going to talk about economy, we should not talk about economy only in terms of dollars. We should talk about economy in terms of rendering service for the dollars now paid. There can be great improvement in the Government agencies in regard to rendering service for the dollars now paid. When Government agencies start performing full service for the dollars now being paid, they will be able to do the important work which they are telling the Senate they cannot do unless they are given more money. I do not mean to charge that all Government employees do not do ample work for their pay. My own experience in Government service convinced me that thousands of Government workers actually overwork. However, that same opportunity for observation of Government departments convinced me that there is much inefficiency, loafing, and waste of time in many Government departments. Economy of time as well as of money is needed in operating our Government departments, including the Civil Service Commission.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MALONE. I heartily agree with many of the things which the Senator from Oregon has said; but I should like to ask him a simple question: Is he insinuating by his speech that anyone who is opposed to this cut has been influenced by someone?

Mr. MORSE. Of course I am making no such insinuation. I am simply telling the Senator from Nevada—

Mr. MALONE. The Senator left the matter of influence open-ended.

Mr. MORSE. Just a moment. I am simply telling the Senator from Nevada what has been said to me. I assumed from what the Senator from Nevada said that he was protesting because the Senator from Vermont [Mr. AIKEN] stood

upon the floor of the Senate and objected to certain lobbying tactics which were being used. I do not object to such lobbying tactics. I am merely attempting to make it clear in the RECORD that lobbying tactics have been used on me in this instance. They have been used on me ever since I have been in the Senate. I can tell off the lobbyists when they are wrong, just as I know the Senator from Nevada can tell them off. In this instance I told them off, and I told them I was not going to vote for restoration of the \$2,000,000, because I am satisfied that the Civil Service Commission can do this job within the money which has already been provided.

Mr. MALONE. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Nevada?

Mr. MORSE. I yield.

Mr. MALONE. I should like to read a short excerpt from a memorandum. We get our information from various sources. We merely want to be sure it is correct information.

In section B, under the heading "Duplication would result," page 52, of the memorandum on House bill 4177, the independent offices appropriation bill for 1950, for the use of the Senate, it says:

DUPLICATION WOULD RESULT

(b) Generally speaking, boards of civil-service examiners in Federal field establishments recruit applicants, and conduct examinations for positions which exist primarily in their respective establishments. Conversely, the Commission's recruiting and examining resources are expended on examinations for filling positions which are common to many agencies, and servicing agencies too small to support a board of examiners. If examinations were completely decentralized, numerous identical examinations would be announced by hundreds of boards of examiners, with resulting waste of time, effort, and money in holding such examinations, and confusion to the public. For example, in the city of Chicago there are about 80 regional offices of various agencies. All of them need stenographers and typists. At present, a resident of Illinois interested in a stenographer's position in Chicago files one application in the Commission's regional office. If this examination were decentralized, the applicant would have to file an application with each board of examiners in the Chicago area in order to be assured of the same consideration. This situation would be duplicated in every large city in the country, including Washington, D. C.

Mr. President, if the Senator will yield for a minute further my information has been gained from many sources. It has been gained from reading the bill, and from experience in veterans' preference in the State of Nevada, and other areas, since the beginning of the veterans' preference on the Boulder Dam (now Hoover Dam) for which I was chiefly responsible. When I started my address I said a few things because of the accusations made against veterans lobbying her—that I probably should not have said, but I had risen because I had joined in the motion to reconsider after due deliberation and after digging up all the information I could get. I am perfectly satisfied that what the Senator says about there being a great deal of money

wasted is absolutely true. I am also satisfied there is no way under the present system and under the present board for us to do anything about it this year. It cannot be earmarked without much additional study. I am intensely interested in the millions of veterans in this country, disabled and otherwise, who have been given a certain number of points of preference by legislation passed by this Senate and the House and signed by the President in past years, having their rights preserved, and to me this is not the place to start to cut appropriations at this time without proper and detailed consideration.

Mr. MORSE. I may say to the Senator from Nevada I differ with him in his last statement of conclusion. I am perfectly satisfied that the Senator from Nevada himself could go into this agency if given the authority under the existing powers of the Commission, and within 30 days, under the administrative power now reposed in the Commission, bring about the economies which would make it possible to do the job they are representing will not be done unless they get the extra \$2,000,000.

Mr. MALONE. Mr. President, will the Senator yield for a further question?

Mr. MORSE. I say we ought to insist that they bring about those savings first rather than continue to add to their budget funds, which I think will only make it possible for them to continue what I think is a very inefficient operation.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. MALONE. I fully agree with everything the Senator says except as to how to do it at this time. I see no way of keeping the veterans or any other class of people from being discriminated against, if they really want to do it. I am not even sure the Commission is doing a good job with the additional \$2,300,000, or whatever the sum is. But I have looked into it, I have satisfied myself that without it they have a legitimate excuse not to do it. Many people of course talk to me in my office and out of it; I see everybody. I do not have the fear of lobbyists other people profess to have. I do not complain to anybody. As I have said before on the floor of the Senate, if I am not capable of separating the wheat from the chaff, when people come with information to me, then I do not think I am proving myself to be a good Senator.

Mr. MORSE. My only difference with the Senator from Nevada is the Commission I think has money now in sufficient amount to do the job if they have the will to do it. I hardly believe the Senator from Nevada disagrees with me about that; he merely does not think they are going to do it with the money presently available to them, and therefore, until we can conclude an investigation of their policies, the Senator is going to vote for a restoration of the \$2,000,000. He is satisfied they have enough money now to do it, if they have the will to do it. I shall not vote for the restoration.

Mr. MALONE. Mr. President, if the Senator will yield, I should like to ask him another question.

Mr. MORSE. I yield.

Mr. MALONE. I fully agree that there probably is sufficient money for a competent commission to do the job. I do not think, however, in view of the usual inefficiency in government which we are unable to correct at this time, there is enough money to get it done.

Mr. MORSE. I understand the Senator's point of view, but we have got to start some time to force them to become efficient, and I think this is a good time to start.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BALDWIN. Does the Senator understand that this particular item is the item which contains an appropriation for holding examinations?

Mr. MORSE. That is my understanding.

Mr. BALDWIN. Does the Senator know that time and time again, under the present civil-service system—and this has been brought out in meetings and hearings of the Committee on Post Office and Civil Service—examinations have been held, repeatedly, over and over again, in order to list at the top of the register and assure the appointment of a politician who was not able to pass the examination? Does the Senator know that there are post offices which have been occupied by temporary postmasters for 11 years while repeated efforts have been made to build up someone who could not pass the examination, in the hope that others who can will either die off, move away, or be discouraged, as they ultimately are, and give up the ghost?

Mr. MORSE. The Senator's statement illustrates what I mean when I speak about the spoils system in the civil service.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. I should like to give the Senator a particular instance. There was a man in the Department of Agriculture named Hobart Crone. I am not averse to using his exact name. By some unfortunate circumstance, he progressed to a reasonably good position in the Bureau of Agricultural Economics. No one desired to retain him, after a while, because it was found that he was unsuited for the position, as is sometimes the case with some very fine persons. He went to the war, and it was unnecessary to recommend his discharge. He returned from the war and demanded back his position. An effort was made, unsuccessfully, to parcel him around to other bureaus of the Department, and it was finally decided that the Production and Marketing Administration should take him. They struggled with him, and some of the top officials of the Production and Marketing Administration pleaded with me to take the load off them. They included the Administrator and other persons. They said they could not take this man because he had

demand a job held by a woman, a war-service employee, who had probably done the most outstanding job in that Administration. I gave instructions that they were not to dismiss her. I finally found, after taking it as far as I could, that the Civil Service Commission could replace persons who were not efficient and could overrule orders of the Secretary of Agriculture. The woman was displaced, and this man was put into her job. I think that did more to destroy morale in the Department of Agriculture than did anything I had ever seen. I can refer the Senator to many other cases.

Mr. MORSE. The Senator has just cited not an isolated case, but a common case. We cannot have a system of merit unless it is possible to get rid of the incompetents who get into the system. The taxpayers are entitled to have discharged from service persons not sufficiently competent to earn the money the taxpayers pay them. I cannot reconcile any other rule with a merit system. I think that what we are building up in this country is a so-called civil-service system which makes it almost impossible to get the incompetents out of Government. We hear much said about young people not going into Government service. One of the reasons why so many of them are being discouraged from going into Government service is that the present system makes it possible to keep too many incompetents in high positions under the Civil Service, which certainly is no incentive to an able, ambitious young man or woman. The Civil Service Commission should assume responsibility for eliminating incompetents from Government service. It should devise a fair procedure for testing the competency of Government workers. It should not pass the buck to some outside group of officials who may be subject fairly or unfairly to attack as to bias as appears to be the case now raging at the Civil Service Commission over examiners. I think it is unfair to the McFarland committee to give them the power of decision which the Commission at least started out to give them. I think we have the right to insist that the Commission set up a Government board on competency and see to it that fair procedure is adopted which will protect the industrious and competent workers but get rid of the incompetent and the loafers.

That is why I say to the Senator from Minnesota that I completely agree with him that there is a need for a thorough and complete overhauling of the Civil Service Commission procedures. I am not going to vote for any more money for the Commission until that is done.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. In view of the Senator's attitude on the Civil Service Commission—and I may say I know of cases similar to that cited by the Senator from New Mexico—I wonder if he recognizes that under the House committee report, in making this budget cut, the House committee did not say that the work of the Civil Service Commission would be curtailed, but that the recruitment, the adjudication, and the number of exam-

inations would be placed in other agencies.

I should like to ask the Senator from Oregon this question: Since there is no prohibition as to the nature of the work, since there is no curtailment as to the amount of the work, and no curtailment as to the number of persons who will be employed in personnel work, I wonder whether he believes it is a sound policy for the agencies themselves to do this work, when they are more in politics than the Civil Service Commission will ever be.

Mr. MORSE. I wonder.

Mr. HUMPHREY. I wonder if it would be a sound policy.

Mr. MORSE. I wonder about that assumption.

Mr. HUMPHREY. Does the Senator think it would be sound policy for them to do the recruitment?

Mr. MORSE. I am open to conviction on that point. I shall be glad to listen to more argument on that point. If we go along with the House and approve the House policy, with the type of veteran examinations being called for, I say the Civil Service Commission can do that work within the money now in the bill.

Mr. HUMPHREY. I was going to recommend to the Senator, if he will yield for a further comment, that possibly what we should have, in view of his very logical and persuasive argument—and may I say "almost thou persuadest me"—is a prohibition somewhere in the statute, or somewhere within the appropriation bill, if we can get two-thirds of the Members to vote for it, against any transfer of functions to the agencies. That would give us real economy and force the Civil Service Commission to do what the Senator wants it to do, to tighten up, to get rid of some of its deadwood, and abandon some of the practices which they have used to hold deadwood on the job. I cannot see that we are making any accomplishment at all. All we are doing is to take from the Civil Service Commission a part of the money and transferring it to other agencies and saying, "Now, you do it, and you will be called names for a while, rather than the Civil Service Commission."

Mr. MORSE. I think the Senator and I can agree on an amendment to that effect.

Mr. AIKEN. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Chair feels constrained to admonish the Senate that unless we make more progress in discussing the bill, the Chair will have to enforce the rule against Senators yielding for anything other than questions.

Mr. AIKEN. Mr. President, I simply wanted to make a statement in regard to the matter brought up by the junior Senator from Minnesota, namely, decentralizing the hiring of employees. In the study made by the Hoover Commission it was found that when a department desired to hire additional help, the average length of time it took the Civil Service Commission to hold an examination and qualify that help was 7 months. If an agency wanted help in a hurry, it could not get employees qualified, unless the rules were waived. But the average

length of time it takes to qualify employees for any agency of the Government is 7 months. If that is efficiency, my definition of the word is incorrect. That is one of the primary reasons why the Hoover Commission recommended decentralization of hiring, so that if an agency had to have help in a hurry it could do its own hiring.

Mr. HUMPHREY. Is it not true, however, that one of the reasons for that situation is that the Commission has a backlog of hundreds of thousands of cases?

Mr. AIKEN. I do not know.

Mr. HUMPHREY. It is perfectly legitimate on the floor of the Senate or of the House to whiplash every agency of the Government. The Civil Service Commission is no more inefficient than are the Maritime Commission, the Interstate Commerce Commission, and the Federal Trade Commission. They are just about equal in efficiency.

Mr. AIKEN. That is a question.

Mr. WHERRY. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Vermont has the floor.

Mr. AIKEN. Let me say further to the Senator from Minnesota that I think the agency of the Government which has the best personnel relations is the Tennessee Valley Authority. That agency hires and fires its own help. It would have been impossible for it to have made the enviable record it has made if it had to depend upon the Civil Service Commission to do the hiring and approve the firing of its employees.

Mr. CAPEHART. Mr. President, it seems to me that we have gotten completely away from appropriations and have gone into the merits or demerits of the Civil Service Commission. I shall not argue the merits or demerits of that, or whether they are doing a good job or not. The fact remains that the Civil Service Commission is either going to handle the examinations, or some 2,000 agencies are going to do it. If 2,000 agencies do it, they are going to have to have possibly 3,000 people to do it, at an average cost of four or five thousand dollars a year. We could save \$2,500,000 if we wanted to permit the 2,000 agencies to do it, and by so doing, in my personal opinion, we would add anywhere from ten to fifteen or twenty or twenty-five million dollars additional expense on the 2,000 agencies.

Mr. President, that is all there is to it. I wish there were some way by which we could revamp the Civil Service Commission and make it efficient, and eliminate the red tape. I think it is a very inefficient organization. But that is not the problem, that is not the legislation before us. Nor are lobbyists the problem before us. Not a single person has talked to me about the matter. I have not had a telephone call about it. I feel rather embarrassed, and feel that I have been rather neglected. Other Senators seem to catch the lobbyists. I do not seem to catch them.

The whole problem is, are we to save \$2,000,000 in one spot, and spend anywhere from 10 to 25 million in another direction? That to me is the entire

problem, and if I am wrong, I wish someone would correct me.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Iowa [Mr. GILLETTE] to reconsider the vote by which the committee amendment on page 11, line 9, was rejected.

Mr. FERGUSON. Mr. President, I think the question last asked by the Senator from Indiana can be answered. What the Congress does is to appropriate in this bill a lump sum of money for the Civil Service Commission, outside of a few allotments, \$560,000, and \$500,000. The number of personnel it would decrease is 485.

Let me tell the Senate what happens, what has happened for a long time, and what happened when there was an attempt to cut the appropriation of the Treasury Department.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CAPEHART. Is it not a fact that the House in its report told the Civil Service Commission to eliminate its own boards, and permit some 2,000 agencies to do the work? Is not that exactly what is going to happen if we eliminate this \$2,000,000?

Mr. FERGUSON. No; the Civil Service Commission can apply this cut wherever it desires to apply it, except as indicated in the legislation itself.

It was indicated here this morning that the only cut to be made is a cut against veterans. Here we have the Civil Service Commission itself crying out for the veterans, but the evidence, as indicated by the Senator from Connecticut, is that for 11 years veterans have been kept out of jobs just because the Civil Service Commission did not apply the proper rules. That is as I understand it. This is the very agency which comes here today and indicates a cut of the Civil Service Commission appropriations will militate against the veterans.

Mr. President, the same argument was applied when we tried to reduce the appropriation for customs officers, by a cut in the Treasury Department budget. What did the Treasury do? They notified the border patrol in every State in the Union that they were going to lay off employees in the border patrol. In came telegrams and telephone calls, "What are you going to do in Congress—open the border? We will have no more patrol. Are you going to open the border to all kinds of smuggling?"

They did not seem to comprehend that they could discharge some other employees, and the evidence indicated that they had on the pay roll some 8 or 10 men in the upper brackets who were not doing a tap of work, and who could have retired long before, some of them 80 years of age. They never thought of taking any of those employees off the pay roll. No, they had to take off the border patrol, so that there could be smuggling across every border in the United States.

Mr. AIKEN. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. Does the Senator recall that after hearings and investigations,

and after collaboration with the Secretary of the Treasury the Customs Bureau was reorganized, after which they found they could do more work and could restore the border patrol and the port patrol, and when they came before the Committee on Appropriations of the next Congress they asked for less money than they had the year before?

Mr. FERGUSON. That is correct.

Mr. AIKEN. Does not the Senator recall that a few years ago an effort was made to curtail expenditures of the Post Office Department? I am not too familiar with the case, but I recall that when the appropriation was cut the Post Office Department laid off the afternoon mail carriers, so that the greatest possible inconvenience was caused the public.

Mr. FERGUSON. They did not lay off all the afternoon mail carriers. I know of one case in Flint, Mich., where they laid off the mail carriers who delivered mail in the morning, about the time of the opening of law offices and business places, so that a stream of telephone calls and telegrams came to the Senator from Michigan to the effect that the 8 and 8:30 mail, which had been delivered at that time for years, was going to be discontinued because the Senator from Michigan had joined others in voting to reduce the postal appropriations. It was found that in the Senator's State the important deliveries came in the afternoon, whereas in certain sections of the State of the Senator from Michigan they came in the morning.

Mr. O'MAHONEY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I ask the Senator to indulge me. About 2 hours ago I inadvertently granted unanimous consent to the request of the Senator from Delaware that this matter might be taken up out of order. I had the understanding that that would probably be in the interest of expediting action upon the bill. I suggest to the Senator from Michigan and to all other Senators that no more votes are to be made one way or the other, I think the decision has been arrived at, and I ask the Senator from Michigan when he thinks we may reach a vote on this item.

Mr. FERGUSON. The Senator from Michigan would say, so far as he is personally concerned, in about 5 minutes or less.

Mr. WHERRY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Nebraska.

Mr. WHERRY. I am rather interested in the comment made by the distinguished Senator from Wyoming. I ask the distinguished Senator from Michigan whether it is not also true that yesterday, when request was made for unanimous consent, after the time had gone by for even entering a motion to reconsider, the unanimous consent was granted. I did not object, because I feel that everyone should have his day in court, and if there was any evidence to be submitted, I was perfectly willing to receive it. But I feel that inasmuch as

that unanimous consent was granted yesterday, which could have been blocked without the proponents of this measure having an opportunity to advance any new evidence, consideration should be given to that fact. I do not see much new evidence, myself. For 2 hours we have been listening to debate. We have heard some great speeches about lobbying; but we know all about that. I myself am not invited to as many dinners as most people talk about. I guess I am hard. No one comes in to see me any more. At any rate we have had a lesson about lobbying. I believe the distinguished Senator from Michigan in summing up will give us the meat in the coconut, but I will say that I feel that in the final analysis nothing really new has been presented. I hope the distinguished Senator from Michigan will sum up the argument on his side of the case. I wish to say, however, that when I gave my consent to the unanimous-consent request, I felt that any Senator who could bring in new evidence on the subject should be given the opportunity to do so. I feel that no new evidence which would justify reconsideration of the vote has been submitted.

Mr. FERGUSON. Mr. President, I believe no new evidence has been presented which should cause the Senate to change its decision respecting this item. It is a lump-sum appropriation. The cut in question would cause a decrease of 485 employees in the Civil Service Commission.

The Civil Service Commission has tried to indicate to the Congress, and particularly to the Senate, that the cut will affect only the Veterans' Preference Act and the examinations so far as the veterans are concerned. The Senator from Michigan finds nothing in the record about that, except one item which appears on page 53 of the side slips:

Cost of decentralized program proposed by the House compared to the Budget proposal.

Veterans' Federal Employment Service, \$238,047.

Instead of \$2,250,000 being cut from the veterans' service, the amount would be merely \$238,047, and certainly out of the sum of \$14,000,000, the Civil Service Commission could arrange so as to spend that full amount for veterans' services.

Mr. AIKEN. Will the Chair state the question?

The VICE PRESIDENT. The question is on the motion of the Senator from Iowa [Mr. GILLETTE], for himself and the Senator from Nevada [Mr. MALONE], to reconsider the vote disagreeing to the committee amendment on page 11, line 9.

Mr. GILLETTE, Mr. MALONE, and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. WHERRY. Mr. President, I have been requested to suggest the absence of a quorum.

The VICE PRESIDENT. The Senator can do so in his own right.

Mr. WHERRY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names.

Aiken	Hill	Millikin
Anderson	Hoey	Morse
Baldwin	Holland	Mundt
Brewster	Humphrey	Murray
Bricker	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Connor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Robertson
Connally	Kefauver	Russell
Cordon	Kem	Saltonstall
Donnell	Kerr	Schoeppel
Douglas	Kilgore	Smith, Maine
Downey	Knowland	Sparkman
Dulles	Langer	Stennis
Eaton	Lodge	Taft
Ellender	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
Fulbright	McClellan	Tobey
George	McFarland	Tydings
Gillette	McGrath	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Martin	Withers
Hickenlooper	Maybank	Young

The VICE PRESIDENT. The question is on the motion of the Senator from Iowa [Mr. GILLETTE], for himself and the Senator from Nevada [Mr. MALONE], to reconsider the vote by which the committee amendment on page 11, line 9, was rejected.

The Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Idaho [Mr. MILLER] are detained on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The result was announced—yeas 46, nays 44, as follows:

YEAS—46

Baldwin	Ives	Murray
Cain	Johnson, Tex.	Myers
Capehart	Johnston, S. C.	Neely
Chapman	Kefauver	O'Mahoney
Connally	Kerr	Pepper
Cordon	Kilgore	Robertson
Downey	Langer	Saltonstall
Ellender	Lucas	Smith, Maine
Gillette	McCarran	Sparkman
Graham	McFarland	Stennis
Green	McGrath	Taylor
Gurney	McKellar	Thomas, Okla.
Hayden	McMahon	Thomas, Utah
Hendrickson	Magnuson	Withers
Hill	Malone	
Humphrey	Maybank	

NAYS—44

Aiken	Hickenlooper	Mundt
Anderson	Hoey	O'Connor
Brewster	Holland	Russell
Bricker	Hunt	Schoeppel
Bridges	Jenner	Taft
Butler	Johnson, Colo.	Thye
Donnell	Kem	Tobey
Douglas	Knowland	Tydings
Dulles	Lodge	Vandenberg
Eaton	Long	Watkins
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	Martin	Williams
Fulbright	Millikin	Young
George	Morse	

NOT VOTING—6

Byrd	Eastland	Reed
Chavez	Miller	Smith, N. J.

So Mr. GILLETTE's motion, for himself and Mr. MALONE, to reconsider the vote disagreeing to the committee amendment on page 11, line 9, was agreed to.

The VICE PRESIDENT. The question recurs on agreeing to the committee amendment, on page 11, line 9. [Putting the question.]

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on public business.

The Senator from New Mexico [Mr. CHAVEZ] is detained on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from Oregon [Mr. CORDON], who is detained on official business. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Oregon would vote "yea."

The result was announced—yeas 51, nays 40, as follows:

YEAS—51

Anderson	Hunt	Miller
Baldwin	Ives	Murray
Cain	Johnson, Tex.	Myers
Capehart	Johnston, S. C.	Neely
Chapman	Kefauver	O'Connor
Connally	Kerr	O'Mahoney
Downey	Kilgore	Pepper
Dulles	Langer	Robertson
Ellender	Lucas	Saltonstall
Gillette	McCarran	Smith, Maine
Graham	McFarland	Sparkman
Green	McGrath	Stennis
Gurney	McKellar	Taylor
Hayden	McMahon	Thomas, Okla.
Hendrickson	Magnuson	Thomas, Utah
Hill	Malone	Tydings
Humphrey	Maybank	Withers

NAYS—40

Aiken	Hickenlooper	Mundt
Brewster	Hoey	Russell
Bricker	Holland	Schoeppel
Bridges	Jenner	Taft
Butler	Johnson, Colo.	Thye
Byrd	Kem	Tobey
Donnell	Knowland	Vandenberg
Douglas	Lodge	Watkins
Eaton	Long	Wherry
Ferguson	McCarthy	Wiley
Flanders	McClellan	Williams
Frear	Martin	Young
Fulbright	Millikin	
George	Morse	

NOT VOTING—5

Chavez	Eastland	Smith, N. J.
Cordon	Reed	

So the committee amendment was agreed to.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Independent offices—General provisions," on page 65, line 16, after the word "agencies", to strike out the colon and the following additional proviso: "Provided further, That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended."

The amendment was agreed to.

The next amendment was, on page 65, after line 19, to strike out:

SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this act.

The amendment was agreed to.

The next amendment was, on page 65, line 24, to change the section number from "109" to "108."

The amendment was agreed to.

The next amendment was, on page 66, line 6, to change the section number from "110" to "109."

The amendment was agreed to.

The next amendment was, on page 66, after line 12, to strike out:

SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 125, or a part thereof, full time, part time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, on page 67, after line 2, to insert:

SEC. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: *Provided*, That this prohibition shall apply to employees who devote 50 percent or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, on page 67, after line 20, to insert:

SEC. 111. None of the sections under the head "Independent offices—General provisions" in this title, except section 102, shall apply to the Housing and Home Finance Agency, the Inland Waterways Corporation, or the Tennessee Valley Authority.

The amendment was agreed to.

The next amendment was, under the heading "Housing and Home Finance Agency," on page 70, line 19, after the word "for," to strike out "administrative" and insert "administrative."

The amendment was agreed to.

The next amendment was, on page 71, at the beginning of line 20, to strike out "\$21,860,750" and insert "\$22,860,750."

The amendment was agreed to.

The next amendment was, on page 73, line 23, after the word "Congress", to strike out the colon and the following additional provisos: "Provided further, That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsection 505 (a) and (b) of the act of October 14, 1940, as added by the act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further*, That any application for such relinquishment and transfer shall be filed with the Administrator within 120 days after the approval of this act."

The amendment was agreed to.

The next amendment was, under the subhead "Corporations—General provisions," on page 77, after line 6, to strike out section 203, as follows:

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 125, or a part thereof full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

And insert in lieu thereof a new section 203, as follows:

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: *Provided*, That this prohibition shall apply to employees who devote 50 percent or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, under the heading "Title III—General provisions—Departments and agencies," on page 80, after line 3, to strike out:

SEC. 303. Appropriations for the executive departments and independent establishments for the current fiscal year available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence

expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821-833), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided*, That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall, in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed.

The amendment was agreed to.

The next amendment was, on page 80, line 20, to change the section number from "304" to "303."

The amendment was agreed to.

The next amendment was, on page 81, line 11, to change the section number from "305" to "304."

The amendment was agreed to.

The next amendment was, on page 81, line 16, to change the section number from "306" to "305."

The amendment was agreed to.

The next amendment was, under the subhead "Corporations," on page 82, line 4, to change the section number from "307" to "306."

The amendment was agreed to.

The next amendment was, on page 83, line 1, to change the section number from "308" to "307."

The amendment was agreed to.

The next amendment was, on page 83, line 8, to change the section number from "309" to "308."

The amendment was agreed to.

The next amendment was, on page 83, line 14, to change the section number from "310" to "309."

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 111. An act for the relief of Mrs. Pearl Shizuko Okada Pape;

S. 317. An act for the relief of Margita Kofler; and

S. 905. An act for the relief of John Sewen.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Mr. O'MAHONEY. Mr. President, I offer two technical amendments on page 39 of the bill. I send the amendments to the desk and ask that they be stated.

The VICE PRESIDENT. The amendments will be stated.

The CHIEF CLERK. On page 39, line 16, it is proposed to strike out \$35,000 and insert in lieu thereof \$100,000.

On page 39, line 17, it is proposed to strike out \$3,556,039 and insert in lieu thereof \$3,656,039.

Mr. O'MAHONEY. Mr. President, these are two technical amendments. They do not add anything to the bill. The committee amendment which was adopted by a yea-and-nay vote was intended to give the Interstate Commerce Commission the funds with which to carry on pipe-line evaluation and the work of the Bureau of Motor Carriers, but the limitations were not changed. These amendments merely change the limitation.

The VICE PRESIDENT. The question is on agreeing to the amendments which have been offered by the Senator from Wyoming.

The amendments were agreed to.

Mr. O'MAHONEY. Mr. President, by authority of the committee, I have three legislative amendments to offer. The first of these is on page 10. It relates to the appropriation for the Atomic Energy Commission. I offer this amendment, and send it to the desk and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, line 5, it is proposed to strike out the period and insert a colon and the following:

Provided further, That no part of this appropriation or contract authorization shall be used—

(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project wherever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committees of the Senate and the House of Representatives and the Joint Committee on Atomic Energy; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed \$500,000; and, as used herein, the term 'construction project' includes the purchase, alteration, or improvement of buildings, and the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further*, That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

Mr. O'MAHONEY. Mr. President, briefly the purpose of the amendment is

to provide for a closer supervision by the Bureau of the Budget and by the Congress of the United States over the expenditure of funds which are granted to the Atomic Energy Commission by way of contract authority. Without the amendment, when contract authority is granted then the agency to which the authority is granted has practically unrestricted powers to exercise it in any way that satisfies its discretion. It is intended here to make clear that if a budget estimate is submitted for a contract authority for a construction job, submission shall be the controlling factor. In other words, the agency shall not then be free to abandon the project which was presented to the Congress in the budget and adopt another. That is the explanation of paragraph A.

Then:

(B) to start any new construction project, the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project whenever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget.

Also, unless the submission is made to the Director of the Bureau of the Budget and by the Director of the Atomic Energy Commission to the Appropriations Committee of the Senate and the House and the Joint Committee on Atomic Energy.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I wish to preface my question by stating that I am for this amendment. Why is the amendment offered from the floor rather than being included in the bill by the committee?

Mr. O'MAHONEY. Because it is a legislative amendment, and I filed notice, asking for a suspension of the rule.

Mr. WHERRY. Does the Senator mean to say that other amendments in the bill are not subject to points of order?

Mr. O'MAHONEY. I beg the Senator's pardon.

Mr. WHERRY. Does the Senator mean to say by offering the amendment in this way that there are no legislative amendments in the bill itself?

Mr. O'MAHONEY. Oh, not at all.

Mr. WHERRY. Will the Senator advise me whether he thinks the insertion on page 19 of the bill is a legislative amendment?

Mr. O'MAHONEY. I will examine it. Does the Senator refer to the amendment "of which not to exceed \$20,000 shall be available for administrative expenses," and so forth?

Mr. WHERRY. Yes.

Mr. O'MAHONEY. No; I think that is not legislative.

Mr. WHERRY. I refer to the clause "including not to exceed \$1,200 for administrative expenses in connection with the city of East Peoria sewage project."

Mr. O'MAHONEY. No.

Mr. WHERRY. The Senator thinks that is a limitation? Is that correct?

Mr. O'MAHONEY. I think that is a limitation.

Mr. WHERRY. What about the amendment beginning on line 25, on page 19?

Mr. O'MAHONEY. That is a provision that came to the Senate from the House.

Mr. WHERRY. No; I refer to the provision in italics starting on page 19, line 25.

Mr. O'MAHONEY. I beg the Senator's pardon. That amendment relates to the authority for conservation of securities, which was provided for in a previous act of Congress. The amendment merely continues it.

Mr. WHERRY. Is it legislation? I am merely asking the distinguished Senator a question in order that I may understand the situation. It seems to me the amendment beginning on line 25, page 19, is legislation and is subject to a point of order, and I think throughout the bill there are probably 20 other amendments which are also legislative, and subject to points of order. I wonder what difference there is. I wonder why the amendments the Senator is now proposing were not all put in the bill?

Mr. O'MAHONEY. The committee asked that the rule be suspended with respect to these three items, because they were the only three items, which in the judgment of members of the committee, were legislative in character. The question was not raised with respect to any of the others.

Mr. WHERRY. I merely wanted to point out to the distinguished Senator from Wyoming and to Members who are on the floor that House bill 4177 contains many legislative amendments. These three, of course, are amendments which are of particular interest, and I am glad they are before us the way they are. But so far as points of order are concerned, I point out that there are probably at least a score of amendments in House bill 4177 which are legislative in character, on which points of order based solely upon the legislative character of the amendments could be sustained.

The VICE PRESIDENT. The Chair would state that points of order on the ground of legislation cannot be made against legislative provisions which come to the Senate in the House bill.

Mr. WHERRY. If the Chair is replying to my remarks, I may say I understand that perfectly.

The VICE PRESIDENT. The Chair thought the Senator was referring to provisions in the House bill.

Mr. WHERRY. The amendments I am talking about are amendments the Senate committee wrote into the bill.

The VICE PRESIDENT. But it is now too late for points of order to be made against them.

Mr. WHERRY. I am not asking that a point of order be made against any of the amendments. Had I intended to make a point of order, I should have made it when the amendment came up.

Mr. O'MAHONEY. I understand.

Mr. WHERRY. Had I wanted to make a point of order against the bill which was reported by the committee, I would have done so when the bill was taken up. But, Mr. President, the point I make is,

there are at least 20 amendments in the bill of a legislative character, against which points of order in my mind could have been made. The points of order were not made.

Mr. KEFAUVER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Tennessee?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. I want to ask the Senator whether this is a provision applicable only to the Atomic Energy Commission and its construction projects.

Mr. O'MAHONEY. Yes; but there is another one that refers to the Maritime Commission, which I shall offer in a few moments.

Mr. KEFAUVER. Does not the distinguished Senator feel that if this is a healthy and worth-while provision for the Atomic Energy Commission's projects, it should be encompassed in the legislation submitted to cover the Interior, the Corps of Engineers, and all other agencies of the Government?

Mr. O'MAHONEY. I quite agree with the Senator. I think all contract authority should be subjected to a great deal more scrutiny than has been the case in the past. Yes, indeed, I agree with the Senator.

Mr. KEFAUVER. I should like to ask the Senator another question. Suppose the Atomic Energy Commission starts a project and then through the development of technology it is found advisable to transfer or to transform the project into a different kind of project or building or institution, whatever the project may be. In that event this would deter them from doing so; that is, they would be required to go on and complete the project they had started, would they not?

Mr. O'MAHONEY. Oh, no. The amendment was carefully drafted so as to provide against such a contingency. That, of course, would be wasteful.

Mr. KEFAUVER. Such a contingency will be avoided under provisions of this amendment, will it?

Mr. O'MAHONEY. I read from page 2 of the amendment, beginning in line 16:

That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

It was the 15-percent clause which was inserted after a conference, and with the knowledge of the Atomic Energy Commission.

Mr. KEFAUVER. As I read the 15-percent clause, it actually modifies subsection (A) and (B), and also (C). Is that correct?

Mr. O'MAHONEY. No, because the proviso in line 17, specifically exempts community facilities, within the parenthesis.

Mr. KEFAUVER. Then, may I also ask the distinguished Senator, does he not

think it is rather delicate to require what might be the revealing of some secret which we would not want to have revealed, if the Atomic Energy Commission had to submit a detailed explanation to the Bureau of the Budget and to the Committees on Appropriations of the Senate and the House?

Mr. O'MAHONEY. No, I am sure no secret information would be revealed. The Bureau of the Budget now goes into these matters in a great deal of detail.

Mr. KEFAUVER. Mr. President, will the Senator yield for another question?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. Does this amendment meet with the approval of the Atomic Energy Commission?

Mr. O'MAHONEY. The Atomic Energy Commission sat with us. We consulted them. I would not say that it has been formally approved by the Commission, but it does not and has not objected to me to the amendment in its present form.

Mr. KEFAUVER. The fear I have, I may say to the Senator, is this: Of course, we want all the economy that can be had, and we want the Atomic Energy Commission to keep within the estimates to the extent possible. But we must realize that we are dealing with a new and somewhat unknown development, and I dislike to see anything done which might retard the progress and development of new ideas, new methods, and the putting them into effect by the Atomic Energy Commission.

Mr. O'MAHONEY. I share the Senator's ideas.

Mr. KEFAUVER. It seems to me the Atomic Energy Commission is the wrong agency with which to start this kind of program.

Mr. O'MAHONEY. I have just stated I shall offer one with respect to the Maritime Commission in a moment.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McMAHON. I should like to say to the Senator from Tennessee that the way the amendment was originally drawn was not satisfactory to many of the members of the Joint Committee on Atomic Energy, and we did have a consultation not only with the members of the Commission, but with the Senator from Wyoming, who spoke on behalf of his subcommittee. In that way this language was worked out. Under it I believe the Commission can function without loss of efficiency, and with the result of giving both the Appropriations Committee and the Joint Committee more information than we have heretofore had as a matter of right.

I must say, on behalf of the Joint Committee, at least on behalf of myself, that the way in which the amendment was first worded was very unsatisfactory. But it has now been changed, and I think it is satisfactory at this time. I think we can all live under it without impairment of the efficiency of the atomic-energy program.

Perhaps I should at this time call the attention of the Senate to a couple of lines in the report of the Senate Committee on Appropriations which I should

not want to let pass without making an adverse comment. I dislike criticizing the report of a committee, but I call attention to the fact that in the House report the House committee said:

It is the understanding of the committee—

That is, the House Appropriations Committee—

that diversions may be made from one program to another to meet emergencies or essential changes in a program which may develop since the committee hearings on the bill.

That is a provision which we must have and need to have in the atomic-energy program, because essentially it is a program which changes very rapidly, and we cannot have it solidified and put into a position in which changes cannot be made in accordance with developments made in scientific progress.

What I should like to refer to is the Senate committee's report. It says:

In allocating the reductions the Commission is directed to make no change provided in the budget estimate for these programs.

The committee was referring to programs of procuring and processing source and fissionable materials and of weapons production, as well as that portion of the reactor program dealing with military needs. The committee says:

In allocating the reductions the Commission is directed to make no change provided in the budget estimate for these programs.

It would be a very unhealthy thing if that request should be carried out in the atomic-energy program.

I call attention particularly to this language in the committee report:

Curtailment of activity is thus recommended to be made in other fields of Commission operations, such as administration, community programs, biology and medicine, physical research, and to such aspects of reactor development as are not immediately necessary for national security.

Of course, it is impossible to break down programs of the Commission and say, "These are for military purposes, and these are for peacetime purposes," because the reactor program is primarily designed for war purposes. Incidentally, out of there may, and I hope will, come much good in the future for peacetime research and peacetime use. But to say that reactor development can be restricted to wartime is like saying, "I shall buy an automobile and never go down anything but the main street." We are depriving ourselves of the use of something that is useful when we speak of the reactor program in those terms.

I should also like to call attention to the fact that the committee refers to the fields of biology and medicine, and physical research. To think that those fields have no effect on the military program is not in accordance with the facts, because the atomic results we have today have accrued by reason of the research which has taken place in this country within the past 15 years, and, of course, the research we have today, tomorrow, and in the coming fiscal year will have a very definite impact upon the future of weapons production, both as to quality and quantity.

As for biology and medicine, they are thought by the committee to be of solely peacetime interest. If, God forbid, there shall ever be an atomic attack on this country, the extent to which our biological and medical research is promoted and advanced may have everything to do with the ability of the people of the United States successfully to defend themselves against such an attack.

The point I desire to make, Mr. President, is that when we take a part of the program and say, "This is for military purposes, and this is for peacetime purposes," it is absolutely impossible and it cannot be done.

I think the appropriation, as it now stands, will carry the Commission through, in view of the unobligated balances which exist because of the impossibility of the Commission's spending in this fiscal year the money which was appropriated so lately in the year through the deficiency appropriation, but I do want to make the point about the impossibility of treating the program as the Appropriations Committee wishes to do and saying, "Make all your cuts in this field, and do not make any cuts in the military field." It simply cannot be done.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. KEFAUVER. I should like to ask the Senator if he does not think we are entering upon a very bad policy in making the Director of the Bureau of the Budget an umpire with reference to a great part of the atomic-energy program.

Mr. McMAHON. At the present time the Commission has to go to the Bureau of the Budget with its requests just as do all other departments of the Government. I believe that with the daily access which the joint committee has to the Commission, and vice versa, it would be impossible for the Director of the Budget—and I am sure he would not want to do it—to impair its activity without its coming to the attention of the joint committee.

Mr. KEFAUVER. As I see it, it places in the discretion of the Director of the Bureau of the Budget the decision as to whether a new construction project may be started, even though there may be an urgent necessity for it, by virtue of wartime developments or essentials in connection with our defense. It places in the discretion of the Bureau of the Budget the right to veto the Atomic Energy Commission if it desires to start a new project, even though the cost may exceed the estimated cost by only \$10. The Director of the Bureau of the Budget could veto it if he did not want to send a recommendation and a detailed description of the project to the Congress. Moreover, if the Atomic Energy Commission started a project and found in the public interest it should be diverted into something which would be more effective and useful, and the Director of the Budget was not in favor of it, he would have an absolute veto power over the Commission's conducting that project. I think this will result in diffusion of responsibility between the Atomic Energy Commission and the Director of the

Budget and that the Director is given too much of a final say over a matter which should be decided upon by the Commission. The Commission has done a good job. Why water down and negative their responsibility? The Director of the Bureau of the Budget cannot be an authority on atomic energy. The step about to be taken will create confusion and lead us into trouble inevitably.

Mr. O'MAHONEY. Mr. President, if the Senator will yield to me, I merely wish to point out that, as the Senator from Connecticut has said, the Atomic Energy Commission must submit all its requests to the Bureau of the Budget. It was not exempted from the budget law.

This does not impose a new obligation. It merely indicates what the committee thought was a danger that the Atomic Energy Commission might change its plans without notice to the appropriating power in the Executive or in the Congress. The provision for submission to the Bureau of the Budget was made for the specific purpose of making it clear that an appeal could be made for Presidential authority.

Mr. KEFAUVER. Mr. President, I had always understood that appropriations for the Atomic Energy Commission, by their very nature, had to be more or less general in description, without designating so many million dollars for the building of K27 or so many millions for K30, or whatever the particular project might be, that is, that the Atomic Energy Commission had a general fund out of which they could carry on many operations.

Mr. O'MAHONEY. The Senator was mistaken in that thought.

Mr. KEFAUVER. Throughout the years I have had that idea.

Mr. O'MAHONEY. The Senator is quite mistaken. I hold in my hand the House committee report, page 6 of which contains a list showing the distribution of the cash appropriations, what the budget estimate was, what the committee recommended, and how much the reduction was. For example, the budget estimate for cash appropriations was for \$365,000,000. That was what the House considered. It covered eight different categories—source and fissionable material, weapons, reactor development, physical research, biology and medicine, community program, and administrator services. And then transfer to Public Health Service. Each of these categories was separately considered by the Bureau of the Budget, with a great deal of detail. I could show the Senator the budget estimates presented to the committee, a thick volume, going into the objects of expenditure in the greatest detail.

The House committee made reductions of some \$31,337,000 below the budget estimates. So both the budget and the committee of the House, as well as the committee of the Senate, went into the matter in great detail.

We had executive sessions, in which no record was kept, when there were off-the-record discussions, in which the Atomic Energy Commission detailed to us

at great length, its most important and most secret programs.

Mr. KEFAUVER. Mr. President, I had always understood, and I thought it was greatly to the credit of the chairmen, and the ranking minority members of the appropriations committees, that in the beginning tremendous sums were authorized, appropriated, and set aside to the President to carry on the various atomic energy projects with most of the Members of Congress not really knowing very much about what the money was being used for.

Might we not get into another period, or is there not a possibility that we might, in the atomic energy program, when we might need to carry out that sort of procedure again, if we should become involved in an emergency?

Mr. O'MAHONEY. I would say that if such a time should come we would have no difficulty in adjusting ourselves to it. I am confident that the amendment which has been suggested by the committee is sound in all respects, and I know that the Atomic Energy Commission is satisfied with it. I may say to the Senator that in the drafting of the amendment I personally consulted not only representatives of the Atomic Energy Commission, and representatives of the Bureau of the Budget, but the Chairman of the Joint Committee on Atomic Energy.

Mr. KEFAUVER. May I ask whether any of these three sections applies to the securing of uranium or fissionable material on the part of the Atomic Energy Commission?

Mr. O'MAHONEY. No; they relate to construction.

Mr. KEFAUVER. How about construction for the purpose of procuring uranium or fissionable material?

Mr. O'MAHONEY. I know of no such construction.

Mr. KEFAUVER. Mr. President, I have a feeling that if this sort of limitation is to be inaugurated, we are starting it with the wrong agency, and from that point of view I want it known that I am voting against it.

Mr. LUCAS. Mr. President, I should like to ask the Senator from Wyoming a question. Any project the estimated cost of which exceeds \$500,000 must be submitted to the Bureau of the Budget, to the Committees on Appropriations of the Senate and the House, and to the Joint Committee on Atomic Energy. Is that correct?

Mr. O'MAHONEY. That is correct; that is to say, the limitations on contract authority are not intended to apply to small jobs. The purpose is—

Mr. LUCAS. I understand the purpose. But, should the Atomic Energy Commission decide that a project was to cost, let us say, \$10,000,000, and it was absolutely essential, a project as to which the Atomic Energy Commission alone should have certain information dealing with atomic secrets, even as to the kind of a building to be erected, if it were necessary to detail all the facts in reference to it, probably some secrets would be disclosed involving the atomic activities of the Government.

Mr. O'MAHONEY. I think there is very little likelihood of any such development. I point out again to the Senator, as I said earlier, that the Atomic Energy Commission now goes to the Bureau of the Budget with respect to all these items. The purpose is merely to prevent a change from the plans which have been submitted to the Bureau of the Budget, and have been approved by the Congress, without notice to either or both.

Mr. LUCAS. Mr. President, if it were necessary to go through the Bureau of the Budget, through the respective Appropriations Committees, and then through the Joint Committee on Atomic Energy, it seems to me it would be a long time before the hearings would be completed on any sort of project costing over \$500,000; there would be a long delay.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified, proposed by the Senator from Wyoming on behalf of the committee.

Mr. KEFAUVER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. O'MAHONEY. Mr. President, by authority of the committee, I send forward another contract authority amendment. This is one dealing with the Maritime Commission.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 52, line 23, after the word "That," it is proposed to insert "no part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, or to start any new ship construction the currently estimated cost of which exceeds by 10 percent the estimated cost included therefor in such budget, unless the Director of the Bureau of the Budget specifically approves the start of such ship construction and the Director shall submit forthwith a detailed explanation thereof to the Committees on Appropriations of the Senate and of the House of Representatives; and, as used herein, the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further, That.*"

Mr. O'MAHONEY. Mr. President, the reason for the amendment is that the appropriation bill as already approved carries an item of \$50,000,000 of contract authority to be expended by the Maritime Commission. The purpose of the amendment, as in the case of the Atomic Energy Commission, is to throw a few salutary restrictions about the expenditure of that fund. It is an amendment designed to promote economy and to prevent waste.

Mr. MAGNUSON. Mr. President, I understand that is the same type of amendment as that placed in the Atomic Energy Commission provision.

Mr. O'MAHONEY. It is.

Mr. MAGNUSON. The purpose of the committee in offering it is to place a road block in the way of unusual expenditures which might exceed the budget estimates, and involve some violation of the contract authority. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. MAGNUSON. I ask the Senator from Wyoming the same question that was asked on the matter previously considered. Does the Senator feel that this type of legislation, which is similar to the other, should be subject for consideration as permanent legislation?

Mr. O'MAHONEY. Oh, yes; I do. Here is the proposition: We grant contract authority for \$50,000,000. When the agency asks for that it presents to the Congress a justification. The Maritime Commission in this instance has set out a list of the type of vessels it would like to construct. That was its present idea. That was the idea upon which it sold the Bureau of the Budget the estimate which was made; that was the idea upon which it sold the committee on the recommendation the committee makes. Now, after having secured the authority, let us say the Commission desires to change its mind. If it does, we merely ask to be notified.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TOBEY. Is this \$50,000,000 the only appropriation for the Maritime Commission?

Mr. O'MAHONEY. Oh, no.

Mr. TOBEY. How much is the total appropriation?

Mr. O'MAHONEY. I will give the Senator that figure in a moment. This amendment deals only with contract authorization. We approved an appropriation of \$63,054,424, which included new-ship construction, but not the authority which included the operating-differential subsidies, the operation of warehouses, maintenance of shipyards, and maritime training. That was another item.

Mr. TOBEY. How does this \$50,000,000 contract authority compare with the same item of a year ago?

Mr. O'MAHONEY. While I am having that checked I will say to the Senator that the House authorized \$70,125,000 for the purpose. The Senate committee reduced the amount to \$50,000,000. The House grant was, as I recall, below the budget. The contract authority for last year was \$75,000,000.

Mr. TOBEY. Is the Senator now speaking familiar with the modus operandi of the members of the Commission in their conduct of the job in the past 2 or 3 years?

Mr. O'MAHONEY. To a reasonable degree.

Mr. TOBEY. Particularly as it was called to the attention of the Senate by my colleague the Senator from Vermont [Mr. AIKEN].

Mr. O'MAHONEY. The matter which was called to our attention by the Senator from Vermont has been taken care of. The Senator from Vermont [Mr. AIKEN] yesterday moved that certain provisions of the bill be eliminated. His motion was carried.

Mr. TOBEY. I am very glad of that. The point I would make is that, as I know and as the Senator from Wyoming knows, the members of the Commission have been as far apart as is Dan from Beersheba in respect to many of the matters that have been considered and decided by the Commission. There has been some bad blood in the Commission. But now we have the saving grace of having a new chairman, a real man, General Fleming, and not the least of his attributes is that he comes from the hills of New Hampshire. Does the Senator realize that?

Mr. O'MAHONEY. The Senator from Wyoming has already commented very favorably upon that.

Mr. TOBEY. We who come from that State always try to get in a plug for it.

Mr. O'MAHONEY. And may I now talk about Wyoming?

Mr. TOBEY. Indeed the Senator may.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] on behalf of the committee, on page 52, line 23.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I now offer the third and last legislative amendment. This amendment deals with the appropriations made in the bill under which atomic energy fellowships are granted.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 63, after line 23, it is proposed to insert a new paragraph, as follows:

SEC. 102. (a) No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided*, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Mr. O'MAHONEY. Mr. President, this amendment is based upon an amendment which has been carried in every appropriation bill for several years, dealing with the payment of Government salaries to persons who belong to organizations which advocate the overthrow of the Government by force or violence. The committee found that even though the Atomic Energy Commission itself does not and has not selected the individuals who obtain these fellowships, inasmuch as the money they receive, the stipend they receive, comes out of the Treasury of the United States, there should be no distinction in the method

of handling; that they should be required to submit to the same oath and under the same conditions.

In drafting this amendment we referred to the provision of the Atomic Energy Act, which specifically requires that no person may be employed by the Atomic Energy Commission who has access to restricted data unless the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of such person, that reasonable grounds do not exist that such a person is disloyal.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HICKENLOOPER. To what amendment is the Senator referring? The one I have refers to the fellowship program.

Mr. O'MAHONEY. Yes; that is the amendment now pending.

Mr. HICKENLOOPER. I understood the Senator to say a moment ago that it referred to the employment of persons by the Commission.

Mr. O'MAHONEY. No; I said it was drafted upon the basis of the provisions of the Atomic Energy Act.

Mr. HICKENLOOPER. I misunderstood the Senator.

Mr. O'MAHONEY. We took the language from that act.

Mr. MORSE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Oregon?

Mr. O'MAHONEY. I will yield in a moment. Let me add this statement: Of course, there was considerable comment about the amendment after it was announced, by educators and by others. Dr. Bronk, head of the National Research Council, which in the past has made the selection of the individuals who were to have the fellowships, appeared before the committee. The fear was expressed that an amendment of this kind would have some deterrent effect upon young students who might apply for fellowships. I desire to point out that as the amendment is written it does not require an FBI investigation of those who merely apply to the research council. It requires an investigation only with respect to those who are recommended for appointment. In other words, the amendment takes the precaution of requiring that the Atomic Energy Commission, after a check by the FBI, shall make a finding with respect to the loyalty of persons to whom its funds will be paid in order that they may carry on their fellowship studies.

I now yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I wonder if the Senator will make a clarifying statement as to his intent with respect to the language beginning in line 6 of page 1:

Or with respect to whom the Attorney General finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States.

It is not the intention of the Senator, I assume, that this language should be subject to the interpretation that after the Federal Bureau of Investigation has submitted a report the Commission does not at that point have the duty to pass its own judgment on whether or not the individual is the type of person who is disloyal.

Mr. O'MAHONEY. The Commission is the authority which designates the individual who will receive the fellowship. The Commission, therefore, must make a specific finding.

Mr. MORSE. The Senator is aware of the fact, is he not, that one of the concerns of educators who have protested the Senator's amendment is that they feel that in administration it may amount only to an investigation by the FBI, whose report will then be pro forma accepted. Educators feel that it would be an unfortunate precedent if we had in effect only the decision rendered by the FBI, in view of the fact that we do not have access to the sources of the FBI information, and do not have an opportunity to subject to cross-examination the confidential informants who put into the FBI files all sorts of testimony, much of it hearsay, much of it rumor, and sometimes very malicious and damaging information, without any basis of fact.

Mr. O'MAHONEY. I assure the Senator that I have very carefully checked into the operations of the FBI. I feel that that organization, in the work it has carried on in connection with the loyalty program, and under other provisions of law, particularly the provisions of the Atomic Energy Act itself, has been very careful in observing the rights of individuals. The FBI has not given out any of this hearsay evidence or testimony, but it has made its reports to the respective agencies, and the responsibility lies with those agencies.

With respect to the Atomic Energy Act, provision was there made with respect to employees. I have heard no criticism of the activity of the FBI. It has made its investigation. It has made its report to the Atomic Energy Commission, and the Atomic Energy Commission has made the finding.

I believe that there is no ground for the apprehension which has been felt—reasonable though it may be on the part of many—that there will be any abuse by the FBI of its powers, or that the Commission will act without exercising its own independent judgment.

Mr. MORSE. Mr. President, I should like to dwell on this point, if I may, because I think it should be very clear in the RECORD at the time we act on this amendment. I wish to make it very clear that I think it is very important that we continue the investigative powers of the FBI.

Mr. O'MAHONEY. I am very glad to hear the Senator make that statement.

Mr. MORSE. I do not see how we can protect the security of the country if we do not entrust to the FBI the job of tracking down reports, and even rumors, in regard to questions concerning the loyalties of people who are given Federal appointments or who are to be the bene-

ficiaries of Federal scholarships, for example. But I think there is one point, if I correctly understood the Senator, which we should make clear. I think it is true that there necessarily must, and I think should, go into the file of the FBI in the case of any individual, whom for the purpose of this discussion we will call Mr. X, all the information which the FBI collects about him, including hearsay and rumor, as well as the type of evidence which the FBI knows can be verified in fact.

With that material in the file I think it is very important at that point to provide adequate safeguards so that when the Government agency concerned comes to render its judgment—as I understood the Senator to say it would be required under his amendment to render—it will render its judgment only on evidence.

I have had a little familiarity with FBI reports in connection with the Government position which it was my fortune to hold at one time. I wish to say to the Senator that I think it is very important that when we get a report from the FBI we should know whether or not we are getting a report which is based upon evidence, or whether it is a report which simply sets forth the fact that within the jacket or file of the individual in the FBI there are a series of allegations concerning the individual. So I should like to know what is to be the basis of the FBI report to the Commission which grants these fellowships. If they are simply going to report, "Our investigation shows that allegations or charges have been made against Mr. X," and the Commission acts upon the basis of such a report, I say the educators then have cause for concern.

If, on the other hand, we can have assurance that the Commission is going to have submitted to it only evidence, not rumors, not allegations, not unsupported charges, but evidence as to the disloyalty of Mr. X, then I do not think any possible injury can be done an innocent person under this type of amendment. But I do not agree with the Senator if he means to say that when an FBI report is presently received, it may contain a great deal of material which he and I as lawyers know would not stand up as evidence in a court. I think the Coplan case itself would provide us with plenty of examples of what I am referring to.

Mr. O'MAHONEY. I am glad the Senator used the word "court." We are not dealing here with a trial. We are dealing with an act on the part of a government agency bestowing a great favor upon a student by giving a student a fellowship to pursue certain studies. No one has a vested right in a government job. No one has a vested right in a grant of a fellowship; and the Atomic Energy Commission, in approving the recommendations which are made to it, may make its decision upon any set of facts it cares to take into consideration, just as a Senator, in appointing his own staff, will render his decision as to whether or not to employ a certain person upon facts or circumstances which may have no evidentiary value at all. The appointment of a fellow is not to be

compared at all with the trial of an individual upon the basis of loyalty.

I have heard no attack which has been worthy of the name upon the procedures which have been followed by the FBI. As the Senator from Oregon has well said, he believes that if the FBI undertakes to gather information it must in all justice take whatever lead comes to it. The evaluation of that matter is not a task which the Department of Justice wants to take upon itself, because in that event we would be putting into the power of the Department of Justice the authority to exercise responsibility for the departments and agencies of Government. In the loyalty examinations the Department of Justice and the FBI have carefully refrained from coming to any conclusion or making any recommendations. They have made no recommendations to the Atomic Energy Commission under the Atomic Energy Act. They have merely reported what they have found. They will make no recommendations under this amendment. The responsibility for the payment of the fellowship stipend to the individual recommended for the fellowship will depend solely upon the Atomic Energy Commission.

Mr. SALTONSTALL and Mr. MORSE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wyoming yield; and, if so, to whom?

Mr. O'MAHONEY. The Senator from Oregon was pursuing this question. If he cares to allow the Senator from Massachusetts to ask a question, I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I wish to suggest something to the Senator from Wyoming which will emphasize the point. When we were considering this question in the subcommittee, did we not, in stressing this point, get an affirmative statement from a member of the Atomic Energy Commission that the Commission could not delegate to any group of college professors or anyone else the authority for choosing on the basis of the evidence? The Commission could get the advice of the college professors, but the decision as to who should have the fellowship was a decision for the Commission alone, and could not be delegated.

Mr. O'MAHONEY. I am very glad the Senator has called the attention of the Senate to that fact. It is the representation which was made.

Mr. MORSE. Mr. President, I hope the Senator will understand that my purpose is to clarify the record so that we shall know what the amendment means.

Mr. O'MAHONEY. I understand.

Mr. MORSE. I think we shall save time by proceeding in this way.

The Senator from Wyoming has pointed out quite correctly that no one has any right to a Federal position or, in this instance, to a Federal scholarship. But I wish to say that I hope every citizen of the United States will always be protected in his right to have his reputation protected from any procedure which might place an unfair blemish upon it,

because I know of nothing which is more valuable to a person than his reputation and to be protected from false charges.

I wish to examine this amendment from the standpoint of its operation, because it is no better than the way it will operate.

I should like to know from the Senator from Wyoming whether, after the FBI makes its investigation—and I think it should make an investigation—the FBI then will submit to the Commission which grants the scholarship the contents of its files on the investigation, or whether it will simply submit to the Commission a statement that an investigation has been made and that the investigation shows that the loyalty of Mr. X is thrown into question by certain allegations which have been made by certain informants whose identity the FBI does not choose to disclose to the Commission. In other words, I am asking whether the Commission is to be deprived of the evidence or whether the Commission will have presented to it the evidence on the basis of which the findings of the FBI are made.

Mr. O'MAHONEY. Speaking for myself, I should dislike to have the FBI make any selection of the material which it was going to report, because if it did do so, it would be exercising discretion. In this case the discretion rests with the Commission. I should like to see the Commission have all the material, whatever its evidentiary value may be, the FBI has gathered.

Mr. MORSE. Including the source?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. Is it not the privilege of the Commission to require the entire record of the FBI as a part of its report? Otherwise, it would not be acting on the basis of the investigation.

Mr. O'MAHONEY. I should think so. The Commission must have whatever files the FBI has, in order to make an investigation as outlined in the amendment.

Mr. MORSE. Mr. President, will the Senator yield to me?

Mr. McMAHON. Mr. President—

Mr. O'MAHONEY. Mr. President, if the Senator from Oregon will pardon me for a moment, I should like to yield at this time to the Senator from Connecticut, who has to leave the Chamber in a few minutes. I am sure he will make a worth-while contribution, as he always does.

Mr. MORSE. Certainly.

Mr. McMAHON. Mr. President, let me say that I support the position of the Senator from Wyoming that the FBI should turn over to the Commission everything it procures in pursuance of its investigation.

Likewise, I agree with the Senator from Oregon as to the duty of the members of the Commission, under this amendment, as reasonable men to weigh the evidence which is presented to them.

What the Senator from Oregon is contending, I think, is that information secured from anonymous sources, from persons labeled as "T-1" or "T-2," should

be evaluated by the Commission on the basis that reasonable men would use in giving any evaluation to such matters in connection with an investigation or examination of their own affairs.

Mr. MORSE. Mr. President, the Senator from Connecticut raises the next question I have had in mind, which I had begun to state, namely, whether the report of the FBI to the Commission not only will set forth the content of the evidence and information collected, but also will state the source of it. I think the Senator from Connecticut as a lawyer will agree with me that the source of it will in large measure determine the weight to be given it.

Mr. McMAHON. Mr. President, I should like to say to the Senator from Oregon that, as I understand the situation, reports from the FBI frequently contain references to information which has been given by confidential informers known as A, B, C, D, E, F, or G, let us say. Frequently the only way in which the FBI can obtain it will not divulge the source of the information.

For myself, and contrary to the position of some Members of the Senate that any derogatory information submitted by the FBI or which may be contained in an FBI report ipso facto and by its ipsi dixit forever bars from employment the person thus reported upon, I wish to speak definitely against any such proposition. It seems to me that it then becomes the duty of the Commission, which has the whole file referred to it, to evaluate the reports. If I were on the Commission and saw reports from T-1, and T-2 and T-3, I am frank to say that I would not pay much attention to such confidential reports, but I would pay attention to testimony listed in the file by persons who were identified and whose information I could evaluate. In other words, we must weigh the importance of such information as against the importance of permitting the FBI to maintain the confidential aspect or nature of its informants.

I understand that the Senator wishes to have the information from T-1 and T-2 and T-3 sent to the Commission. Is that correct?

Mr. MORSE. I think it is very unfair to send to the Commission information which the Commission cannot check for reliability. I think the FBI should use its sources, because in that way I think it can obtain information which it can use in court, or, in this instance, before the Commission. But I wish to say that we need to be on guard, even in loyalty cases, against permitting the use of evidence from sources we cannot check because of the contention that to allow us to check on the sources would result in disclosing the identity of the informants, and thus would deprive the FBI of informants which it would not then in the future be able to use.

All I am cautioning against—and certainly there is no Member of this body who wishes to get at disloyalty any more than I do—is that in this country we must constantly be on guard against the use of procedures which themselves can develop into serious abuses.

I have no objection to having the FBI use informants whose names the FBI does not wish to disclose, but I do object to having the FBI take evidence collected by such informants and use it before tribunals which have the discretionary duty of passing judgment upon the guilt or innocence of a person in respect to his loyalty to our country because I think that is subject to dangerous abuse.

I do not see why the FBI cannot take the information which it obtains from one of its secret agents—and it should have secret agents—and put that information into channels where it can be used without the necessity of disclosing the identity of the informant. However, if that cannot be done, then, as every good police department knows, sometimes, because it is impossible to use the best type of evidence which it is wished to use in a case, the next best type of evidence is used, which certainly will be better than subjecting a person to a charge which he cannot answer, or as to which he cannot defend himself, because he cannot discover the nature of the charge.

I think we should make perfectly clear that under this amendment, first, the Commission itself will exercise the judgment as to disloyalty; second, that its judgment will be exercised only on a record which the FBI submits to it, which record discloses the sources of the information, because, although the Senator from Wyoming says no student has the right to a fellowship, it seems to me he does have a right, if he is the type of brilliant young man eligible for a fellowship, not to be taken by his Government up to the point where it becomes known that he is being considered for a fellowship—and we cannot stop that information from leaking out—and then, if he is denied a fellowship, have the rumor go abroad that the denial was because he was not found loyal to his Government, when he did not have a chance to answer the evidence which was submitted against him before the Commission by secret information collected by the FBI, the source of which would not be disclosed. I say it is unfair to any American boy to blot his life with that type of charge, without his having an opportunity to answer the source of the information which caused the Commission to take action against him.

That is all I am pleading for. I want the investigations to be made. I want the Commission to deny a fellowship to any boy or girl who in the opinion of the Commission is not loyal to our Government. But I do not want the Commission to act on behind-the-curtain secret information which cannot be brought out into full daylight. That is what I am pleading for. If the Senator from Wyoming would only say that, when the report goes from the FBI to the Commission, it shall contain only the information based upon a source the FBI is willing to disclose, then I think we are giving everybody the protection to which he is entitled.

Mr. O'MAHONEY. Mr. President, frankly I could not make the last statement suggested by the Senator from Oregon. With everything else he says I

am willing to agree, but I am not willing to say that there should be excluded from the consideration of the Atomic Energy Commission any information which the FBI has from a source which it is unwilling to disclose. I cannot agree to that.

Mr. FERGUSON. Mr. President, if the Senator will yield, I think we should appreciate that the President of the United States has within his control whatever information would be furnished by the FBI—that is, the Department of Justice—to the Commission, and I assume that the action of the Atomic Energy Commission in such a matter is of such importance that the President of the United States will not exclude from the Commission data on which it can base its judgment in determining the fitness of its employees.

The President of the United States has excluded from Congress certain information in loyalty tests, but he has done that because he claims the executive branch of the Government is not subject to investigation by the Congress. That, however, is not the case we have before us. We have here the executive branch of the Government itself being called upon by Congress to make an investigation, and for the executive branch itself to determine from the facts it obtains. I can see a reason why the President may say to the Joint Committee on Atomic Energy—I do not think he has ever said this in the case of the Atomic Energy Commission—"We will not let you see the files of the FBI." I am informed that the Atomic Energy Commission has never had any difficulty in seeing FBI files. It has not been treated on the same basis as a regular investigating committee of the Congress. But, be that as it may, even the President may exclude the information from the joint committee.

I am taking it for granted that when we say that the FBI is to make an investigation and report to the Atomic Energy Commission, the President will see to it, in view of the importance of this subject, that all the information the FBI has obtained goes to the Commission, and the Commission will then determine whether the person in question should obtain one of the fellowships.

The second paragraph of the amendment contains this proviso:

Provided, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both.

In other words, if a person who belongs to such an organization, or who advocates the overthrow of the Government, obtains a job, then the Attorney General would be able to prosecute him under this section of the act, and the Attorney General would have all the evidence; because after all the Attorney General is in complete control of the FBI. The Federal Bureau of Investigation is an agency in

the Department of Justice, and the Department would have all the evidence.

So I take it this amendment is sufficiently broad. In fact it authorizes the executive branch of the Government, that is to say, the President, to make such an investigation and then to pass upon the loyalty or disloyalty of a person before he is given a fellowship.

Mr. KEFAUVER. Mr. President, I am certain that all the Members of the Senate have the same objective in view of not awarding scholarships to any person who advocates or who is a member of an organization that advocates the overthrow of the Government, and on the other hand that no one wants to do an injustice to a student who has applied for a fellowship. In order to get the legislative history, which I think is rather important—I wonder whether I could ask the distinguished Senator from Wyoming a question or two.

Mr. O'MAHONEY. Certainly.

Mr. KEFAUVER. As I understand, the necessity for this legislation is that the holders of the fellowships are not considered to be employees and therefore they do not come under the general loyalty test applicable to other employees of the Government.

Mr. O'MAHONEY. The Senator is correct.

Mr. KEFAUVER. I wonder then why it would not serve the purpose to define the holder of a fellowship simply as an employee of the Government, and let him come under the general procedure which has been so well established. That is the way I had rather see this problem handled.

Mr. O'MAHONEY. Apparently the committee did not think of that approach. They felt that this was the best way to handle it and to have it deal expressly with the Atomic Energy Commission.

Mr. KEFAUVER. As I understand, the Commission, of course, makes the final determination upon the evidence submitted.

Mr. O'MAHONEY. That is correct.

Mr. KEFAUVER. But can the Commission consider other evidence than that submitted by the FBI?

Mr. O'MAHONEY. Oh, certainly.

Mr. KEFAUVER. That is, the Commission has a right, I take it—

Mr. O'MAHONEY. The Commission is not confined by anything in the amendment to consider only what it gets from the FBI.

Mr. KEFAUVER. Then the Commission, if it had a quasi-adverse report from the Federal Bureau of Investigation, one that might be cleared up by an examination of the party involved, would have a right to call the prospective fellowship holder in for examination and for investigation, for the purpose of clarifying some matter in the FBI report, is that correct?

Mr. O'MAHONEY. Nothing in the amendment would prohibit that.

Mr. KEFAUVER. They would have a right to do that, would they?

Mr. O'MAHONEY. That is my understanding, unless it is prohibited by the Atomic Energy Act; and I do not think it is.

Mr. KEFAUVER. The language of line 7, page 1, seems to be somewhat restrictive, "upon investigation and report by the Federal Bureau of Investigation."

Mr. O'MAHONEY. That merely means that there shall be such a report.

Mr. KEFAUVER. I was afraid that might be interpreted as meaning that that would be the sole report they would have to go by. I am glad to know that is not the case.

Mr. O'MAHONEY. Oh, no; I assure the Senator that is not the case.

Mr. KEFAUVER. Another question I wanted to ask was whether an applicant for a fellowship, who receives an adverse report, has, under the administrative procedure, the right to appeal.

Mr. O'MAHONEY. I would not know of any right in any applicant for a preferment to appeal from a decision, any more than there would be a right on the part of an applicant for a position in a Senator's office to appeal from the Senator's rejection of his application.

Mr. KEFAUVER. Whether it be a right or not, I wondered whether the Senator had considered that the Administrative Procedure Act would apply to a ruling by the Commission that student A was not eligible for a fellowship. I would like to see a provision inserted whereby a scholarship holder could have a hearing or an appeal to answer charges made against him.

Mr. O'MAHONEY. I think it would not apply.

Mr. FERGUSON and Mr. PEPPER addressed the Chair.

The VICE PRESIDENT. Does the Senator from Tennessee yield; and if so, to whom?

Mr. KEFAUVER. I yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, I should like to say, in relation to the kind of case which has been cited, that the Atomic Energy Commission has very important functions to perform. One of its functions is to guard the secret of the making of atomic bombs and secrets in connection with atomic energy. I should hate to see the Senate of the United States transfer that very vital task to an appeal board.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. The Senator does not think, does he, that this amendment will do anything to guard any secrets in connection with nonsecret fellowships? The ratio of nonsecret to secret fellowships is 3 to 1. Does the Senator believe we are going to guard any secrets by investigating a number of young people who are engaged in laboratories around the country in non-secret fields?

Mr. FERGUSON. No. I do not know why the Senator should ask that question.

Mr. McMAHON. I thought the Senator said the amendment was designed to keep secrets.

Mr. FERGUSON. Certain fellowships involve access to atomic secrets.

Mr. McMAHON. Yes; and they are covered under the present law, because anyone who has access to secret data

must, under the provisions of the act, be investigated by the FBI. The young people who have fellowships in nonsecret work study biology, chemistry, and physical science, in the laboratories of the country, and the amendment would provide that they be investigated before they are retained on the pay roll.

Mr. FERGUSON. Coming back to the proposition of trying to distinguish between those who work upon secret and nonsecret data, the Appropriations Committee discovered in the hearings that the line of demarcation between secret and nonsecret was such that the Commission itself does not want to take the responsibility of determining what was secret and what was not secret. I do not think there is a member of the Appropriations Committee who does not understand that the Commission does not want to take that responsibility.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. Let me remind the Senator from Michigan that one of the members of the Commission testified before the committee and indicated his doubt as to where the division was between secret and nonsecret data. In the case of isotopes which are exported there was a great debate as to whether we were opening the door to the dissemination of information which should have been kept secret. Certainly I cannot determine what is secret and what is nonsecret. I see no difference between those persons who have access to secret data in a weapons plant and those who have access to isotopes in a biology laboratory. I do not see that they stand in a different category.

Mr. FERGUSON. Mr. President, the testimony was just as the able Senator from Wyoming has stated it. The line of demarcation is impossible to be drawn. Therefore the committee felt that the way to treat all these fellowships was on one basis, so there would be no distinction. There was a reason for it. One man may work in a school on secret material; another may work on what might be classified as nonsecret work, but the two men are working as scientists, both fellows under the United States Government. It was impossible to say what was secret work and what was not secret work. So the committee did the best thing it could do, and the only safe thing for it to do, and that was to put them all on the same basis.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. Of course, Mr. President, to be absolutely logical, I shall not oppose this amendment, especially in view of the colloquy which took place between the Senator from Oregon [Mr. MORSE], the Senator from Wyoming [Mr. O'MAHONEY], and myself; but I should like to point out to the Senate that what we are doing is imposing a test upon students who are the beneficiaries of the Treasury of the United States which we do not impose on any grant we give to students in any other field or in any university. For instance, we do not require the recipients of GI scholarships

to be investigated. We do not require any student in a land-grant college to be investigated, and I hope we never shall.

I should like to point out that if we were to be absolutely logical we would require an FBI investigation of every employee of every contractor who is working for the Commission. We require FBI investigations of persons who have access to secret data. It is not required of those who do not have such access. For instance, the General Electric Co. has X number of employees who have been investigated by the FBI because they have access to secret data. There are hundreds of employees at other locations and at other installations of the Commission who do not, under the law, have to be examined by the FBI. I rather regret that the emphasis is on the scientific-minded young men whom we desperately need to train. I do not want, by my acquiescence, to cast any shadow upon them as indicating that I believe they are peculiarly not loyal to the Government, in opposition to thousands of contractors' employees who work for the greatest corporations in the country and who have a better opportunity to be disloyal and to corrupt the program than do young men who are working in laboratories and who do not have access to secret data.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Michigan has the floor.

Mr. FERGUSON. I should like to answer the Senator from Connecticut by merely citing what the testimony showed. The testimony showed that the young men holding fellowships and dealing with the substance of the work of the Atomic Energy Commission discovered at times in their scientific research certain very secret information. The evidence showed that they were required to report to the Commission the fact that they had discovered such very secret information with reference to how atomic energy works and how it may be controlled, and so forth. So we are dealing with an entirely different field from that involving contractors, who may have a man digging a ditch who has no access to any secret information.

Mr. McMAHON. Yes; but he might break into a building and steal something.

Mr. FERGUSON. That might happen, and that is why we have the security safeguards around the plants, so as to keep anyone from breaking in and stealing material. But at least he would have to steal something; whereas in the case of fellowships we hand it to him and let him work on it. In the case of isotopes, it may be that one could develop the same thing from the isotope as from some of the other substances.

Mr. MAYBANK. Mr. President, when the Army operated these plants, were not the employees of every contractor checked?

Mr. FERGUSON. I understand they were checked.

Mr. MAYBANK. Of course, they were.

Mr. McMAHON. Mr. President, they were checked, I will say to the Senator

from South Carolina, by the Security Division of the Engineering Branch. With the passage of the act under which the Commission is operating, it was required that everyone who came into the program, or everyone who had access to secret data, everyone who was already employed, should be reinvestigated. As a result of that reinvestigation, the Commission has found it necessary, in the 2½ years which have passed, to discharge some people because they did not meet the standards of loyalty, character, and association.

Mr. MAYBANK. That was testified to us in executive session.

Mr. McMAHON. That applied particularly to the characters and associations of some of the employees.

I wish to point out again, before we depart from this subject, that the nonsecret fellows, truly, in my opinion, should not be supported by the Atomic Energy Commission. They should be supported by the National Science Foundation, and I hope that when the National Science Foundation comes into existence—and I trust the bill creating it will be passed at this session—then the necessity for investigations of nonsecret fellows will disappear. I have reluctantly been going along with this amendment on the theory that the law as it is now, without the amendment, takes care of the fellows in restricted work, and that after this year the fellows in the nonsecret fields will be taken over by the National Science Foundation.

Mr. DONNELL. Mr. President, in the hope that I may have the ear of the Senator from Wyoming, I should like to make an observation, with the further hope that he will give me the light which I am seeking. The pending amendment starts out by prohibiting the use of any part of the appropriation contained in the title for conferring a fellowship on any person, and so forth. It then contains on the second page a proviso which takes up quite a different subject, namely, the penal provision with respect to any person who shall accept employment "the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title."

The information I should like to have is this: Does the Senator from Wyoming consider that it would be appropriate, or inappropriate, to insert in line 6 on page 2, immediately following the word "employment," the words "or a fellowship," and immediately following the comma next following the word "stipend" the word "grant" and a further comma, so that the penal provision would read as follows:

That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment or a fellowship the salary, wages, stipend, grant, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony.

Mr. O'MAHONEY. I should have no objection to that amendment. I think it merely restates what we have already tried to state, but if the Senator wants to offer it as an amendment to the committee amendment, I shall have no objection.

Mr. DONNELL. Mr. President, I respectfully offer the amendment to the amendment.

Mr. FERGUSON. Mr. President, the reason why that language was not inserted was that the word "stipend" was the language used in the committee to describe the sum of money which went to pay a fellow.

Mr. DONNELL. I should have no objection to leaving out the word "grant," but I think the general expression, or the frequent expression, with respect to money going to the holder of a fellowship, is "grant." Therefore I respectfully move that the amendment be amended by inserting in line 6, on page 2, after the word "employment", the words "or a fellowship," and after the word "stipend" and the comma the word "grant" and a comma.

The VICE PRESIDENT. Without objection, the amendment to the amendment is agreed to.

Mr. PEPPER. Mr. President, I am personally very much pleased that the Senator from Tennessee called attention a few moments ago to the language in lines 6, 7, and 8, on page 1, which might justify the assumption that it was the intention of the bill that the Commission should be governed only by the testimony and the report of the FBI, because the language reads:

No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Attorney General finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States.

Had the record not been made very clear, it seems to me that that language might have justified the Commission in inferring that it was the intent of the Congress that it should be bound by the recommendations of the FBI in this matter. I am glad to have the assurance of the able Senator in charge of the bill that it is not intended to limit the witnesses or the information which the Commission may receive merely to what is furnished by the Federal Bureau of Investigation. They have a perfect right to make an inquiry which satisfies them, and to hear any other evidence which the Commission may desire to hear bearing upon the subject, and make a decision thereon.

Mr. O'MAHONEY. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. O'MAHONEY. I desire to amend only one word which the Senator used. He used the word "recommendation" with reference to the FBI.

Mr. PEPPER. I should have said "report."

Mr. O'MAHONEY. The amendment gives no authority to the FBI to make a recommendation.

Mr. PEPPER. It does give authority to make an investigation and report.

Mr. O'MAHONEY. That is correct.

Mr. PEPPER. I imagine the report would be in the nature of a recommendation, or conclusion, at least.

Mr. O'MAHONEY. No; I hope that they will make no conclusion. They will make their investigation and report. The final, complete responsibility rests with the Commission, and it may receive any information from any other source. We are only saying, "You must get some information by an investigation and report of the FBI."

Mr. PEPPER. Mr. President, I regret very much that the Senator from Wyoming did not seem disposed to accept the suggestion made by the Senator from Tennessee a moment ago that we merely provide that those recommended for these scholarships should be treated as employees of the Atomic Energy Commission and subject to the same rules and regulations to which other employees are subject. If that were done, there is already a prescribed procedure they follow with respect to employees, and, as I understand, there is a board which functions in respect to that matter. It would have seemed to me very much better merely to have assigned the recipients of the scholarships to the category of employees, which include the employees even for the most secret work, and they could all be dealt with similarly. But the Senator did not seem disposed to accept the suggestion, and neither the Senator from Tennessee nor I was inclined to offer the amendment as an amendment to the floor.

Mr. President, I wish to say just this last word. The Senator from Michigan a while ago talked about the gravity of these secrets, and he laid great stress upon the protection of the security of the Republic. This Nation was founded upon the philosophy of the protection of the individual, and I think today, especially when we get into the sacrosanct field of atomic energy, there is a tendency to forget the civil rights of the citizen, and to subordinate every private interest to what is presumed to be the public security.

Mr. President, the character of a young man is a fragile thing, and it may be that upon some ill report a young man with a brilliant future may be condemned for the rest of his life to frustration and defeat, and to be considered disloyal to his country. That may result simply because a police agency—and the FBI, excellent as it is, is nothing more—may report some hearsay remark that a person with some ax to grind may make about the family, or the friends, or the association, or a chance remark of a young man in one of the irresponsible periods of his life.

There is no right of appeal given in the amendment to a young man who wins this honor but is denied it because the FBI says something against him that may cause the Commission to consider that he is not a fit subject. He is condemned without a hearing, unless they choose to give him a hearing, notwithstanding that his merits or even his character may justify the trust and the award which otherwise he would receive.

I have only this to add, Mr. President. In 1938 I was in Nuremberg, and sat in

at the Nuremberg Conference. Herman Goering was presiding. Hitler, Ribbentrop, and others in that galaxy of evil geniuses sat on the platform. Near to me was a man who could speak German as well as English. As the speakers spoke from time to time to an audience of 22,000 Nazis, the man would give us a sort of running summary of what the speakers were saying. One man was speaking, and the man who was interpreting for us said the speaker was the head of the department of justice, as it were, of Germany. I noticed the humor with which his remarks was received. I noticed how the audience laughed and seemed delighted at the derision that I could tell was contained in his utterances. Finally I asked the gentleman who was telling us something of what was said, what it was the audience was laughing at, and what was the point the speaker was making. "Why," he said "he is ridiculing the obsolete and archaic and outmoded Anglo-American jurisprudence and all it implies. He is pointing out that in the Nazi state they have set up the people's court to protect the public interest, while in England and in America a man cannot be convicted unless there is a written statute on the books denouncing as a crime what he has done, but under the enlightened and advanced procedure devised by the Nazis, the people's court could judge a man to be a criminal, whether he had violated any written statute or not." That is what they called enlightened.

We have many technicalities in our courts, and many people complain about them; and the law's delay has been obnoxious from the time we set up our juridical system, but Mr. President, the emphasis is upon the welfare of the individual. There are many criminals who go free because of a technicality in the criminal law. But it is a part of the American philosophy that when we are dealing with the lives of the citizens of our country it is better for many guilty men to go free than for one innocent man to be hanged. Yet today, in the penumbra of atomic energy, the reputation of an innocent man can be hanged and there is hardly anyone who dares defend him without himself being smeared for trying to speak for another's civil rights. I think this is an illustration of it. Any Senator on this floor who votes against the amendment could be made the object of an evil attack by any sinister enemy he had, to the effect that he, the Senator, was protecting the Communists, whereas he was merely trying to protect the rights of Americans in their enjoyment of American liberty.

This kind of thing is subject to the gravest of abuse. Whenever we turn the civil liberties of America over to the tender mercies of any police agency it is a dangerous encroachment upon the protections we have drawn so long around our people.

I do not suppose in this era there is anything we can do about it except let this hysteria run its course and let the innocent suffer with the guilty in the larger interest we are trying to protect. But, Mr. President, it has not been the general philosophy of this country; and

when these excursions are made into this dangerous territory certainly the advocates of these measures should throw around our people every possible safeguard against abuse which can be devised.

Mr. O'MAHONEY. Mr. President, no one could speak more eloquently, I am sure, than the Senator from Florida, in defense of civil rights. I echo every word he has said with respect to the dignity of the individual and the right of the individual, under our system, to be protected. I approve of everything the Senator has said. But we are confronted with a condition of fact which may easily make it difficult for any individual anywhere to preserve his liberty unless we take proper safeguards against the infiltration of those who would destroy our system.

What greater contribution can a young scientist make to the American ideal of living and the American theory of government, and the freedom for individuals we are trying to protect here, than by willingly subjecting himself, maybe to some annoyance, maybe to some misunderstanding, maybe to some wrong even, so that those agents of totalitarian power whom we know to be seeking to obtain the information in question in order to use it against freedom, may not secure it?

I say to my colleagues of the Senate that the student of America who is conscious of the great opportunity that is presented in America, the student who is conscious of the great objectives which the founders of this Nation had in mind, will not want to run the risk of having that structure torn down by the infiltrators from totalitarianism just because perhaps someone may suffer.

There is many a boy who lost his life in the war unnecessarily and wrongfully, but the sacrifice was made for the common good.

I say to the Senate that the record before us shows that the loyalty investigation of Government employees, which was required by Executive order of the President of the United States, has been carried on with exemplary care to avoid the infringement of civil rights. I say that the work of the executive agency in carrying on this loyalty investigation was made necessary by the facts before us. I think it is a matter of great pride to every American, and particularly to every Member of Congress, that the results of that investigation demonstrate that only an infinitesimal number of those who have been employed by the Government have been in any degree or sense disloyal. But we had evidence before us, Mr. President, that there were those who were disloyal, and the committee felt that it could not take the responsibility of opening the door for a continuation of that type of attack upon everything for which the Government of the United States stands.

Mr. President, I believe the amendment should be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. FERGUSON. Mr. President, I simply cannot let pass the remarks made by the distinguished Senator from Florida [Mr. PEPPER]. He has indicated, in a way, that what the Senator from Michigan has said—

Mr. PEPPER. Mr. President, if I said anything to reflect upon the Senator from Michigan, I certainly did not intend it. I was speaking about the point of the argument, but I certainly did not intend to in any sense of the word a reflection upon the Senator from Michigan. If I unintentionally said anything that was offensive to the Senator, I apologize to him. I was addressing myself to the argument, and I do not retract what I said with respect to that; but if I said anything which in any sense of the word could be regarded as offensive, I apologize.

Mr. FERGUSON. I am going to reply to the argument, or the insinuation that the Senator from Michigan may not be interested in the civil rights of the individual. The Senator from Michigan wants to protect the rights of the individual. He wants to protect the rights not only of citizens, but of all the people who are residents of the United States. He feels that the one way to protect them is to have something in the law concerning atomic energy which will protect them. The United States Government has assumed the obligation, on behalf of all the citizens of the United States, to provide for the national defense. There are a few left who believe that if those who are opposed to the fundamental principles and institutions of our Government had the atomic bomb, if they had the know-how and the capacity to make the atomic bomb, we would not be in a cold war today. We would be in a hot war. So the Government of the United States owes an obligation to the citizens of the United States to see that the secrets of the atomic bomb are not given to anyone else. That is all we are trying to accomplish by this amendment.

Certainly there are rights of the individual; there are rights of groups of citizens; but when we come down to the fundamental principle of atomic energy and what it can be used for, we know that it could take from the Government and from the people their liberties if knowledge of it were possessed by others. I think the time has come for the Government of the United States to step in and say that at least we are going to protect, so far as possible, the individual citizen from being destroyed by someone who would use this weapon for his destruction.

That may be said by some to be taking away individual liberties and civil rights. But it is plain that no one has a civil right to a fellowship to study and conduct research in atomic energy; and if he has no civil right or any other right to work in that particular field, how can it be said that he has been deprived of anything when we give to the executive branch of the Government the authority to say whether or not he should be employed in that particular field? That is all we are doing by this amendment.

So let us not become hysterical over the civil rights of the individual. In this

particular case we are dealing with a very dangerous weapon, one with respect to which the Congress has seen fit to grant the Government a monopoly, prohibiting anyone from obtaining information concerning it except those to whom the executive branch wishes to give such information.

So I hope we may take the broad view, the protection of each and every individual, including women and children, the mothers and fathers back home, who are not here to protect themselves. Let us do all within our power to see that so far as the Congress is concerned, no enemy of the United States shall obtain this information.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] as amended.

Mr. TAYLOR. Mr. President, I agree with the Senator from Florida when he says that anyone opposing this amendment subjects himself to slander and unfair accusations as to his loyalty and devotion to this country. Nevertheless, I wish to make it plain that I am opposed to the amendment. I could make a point of order against it and ask for a ye-a-and-may vote. I do not intend to do so, because I do not think it would alter the situation. So I have nothing to gain by rising to speak. I have no serious hope of stopping the amendment.

Mr. President, I have talked with atomic scientists. I know that they do not want the amendment. They feel that it would hurt the program. Scientists are not going into the program because of these investigations, and the onerous conditions attached to employment with the Atomic Energy Commission.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a question with respect to the last statement he has made, about scientists not going into the program?

Mr. TAYLOR. I yield.

Mr. HICKENLOOPER. The record shows that there is no shortage of scientists in the program. There are more scientists in the program today than ever before. Each plant in the atomic energy program has very little difficulty in getting scientists, according to the testimony of the commissioners themselves and the plant managers. So wherever the Senator gets his information that scientists are not going into the program today, that source of information is not informed on the facts and the record.

Mr. TAYLOR. I am happy to have the correction from the Senator from Iowa. Of course, there are scientists and scientists. I recently read an article by Dr. Harold Urey. Certainly he is a reputable scientist. He is one of the men who perfected the atomic bomb. He made the statement that all the hullabaloo of investigation and character assassination was hurting the atomic energy program. I think I can take his word. His statement was published in the press. It was not made in any secret conference.

Mr. President, I feel that the hysteria which has seized the country is playing

into the hands of our enemies. I feel that we are really letting the Russians run the show for us. We are adopting their methods. I think our greatest weapon against totalitarianism is the freedom we have. We are sacrificing that freedom in the name of fighting totalitarianism, and I cannot go along with such a policy. I want the RECORD to show that I am opposed to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY], as amended.

The amendment, as amended, was agreed to.

Mr. McMAHON. Mr. President, I call up for consideration an amendment which was submitted a few days ago, providing for the use of \$2,700,000 of the amount appropriated in this bill for transfer to the Navy Department for use in connection with the Arco, Idaho, site.

The VICE PRESIDENT. The amendment offered by the Senator from Connecticut will be stated.

The LEGISLATIVE CLERK. On page 10, line 5, after the word "responsibility", it is proposed to insert the following: "Provided further, That not to exceed \$2,700,000 of the amount herein appropriated may be transferred to the Department of the Navy for the acquisition, construction, and installation, at a location to be determined, of facilities (including necessary land and rights pertaining thereto) to replace existing Navy facilities at Arco, Idaho, which latter facilities are hereby authorized to be transferred by the Secretary of the Navy to the Commission for its purposes."

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I yield.

Mr. FERGUSON. Does this amendment increase in any way the appropriation, or is it merely a transfer?

Mr. McMAHON. It is merely a transfer. It provides authority for the Commission to take out of the funds Congress has appropriated this amount of money to reimburse the Navy for the installations the Navy is giving up at Arco.

Mr. FERGUSON. I thank the Senator.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I yield.

Mr. WHERRY. Those funds will be taken out of the appropriations for the Atomic Energy Commission; will they?

Mr. McMAHON. Oh, yes.

Mr. WHERRY. They will not be taken out of the total appropriations carried in this bill?

Mr. McMAHON. It is very definitely to be taken out of the appropriations for the Commission.

Mr. WHERRY. I thank the Senator.

Mr. FERGUSON. Mr. President, will the Senator yield to me again?

Mr. McMAHON. I yield.

Mr. FERGUSON. Let me say that I hope the Senator from Wyoming will take this amendment to conference, so that it may be dealt with there.

Mr. O'MAHONEY. I hope that may be done.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. McMAHON].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, there are two items which are in the nature of a committee amendment, but actually are not. I have here a letter from Assistant Secretary of State Ernest A. Gross, calling attention to the fact that the committee in its report had deleted an item for the implementation of Public Law 865, of the Eightieth Congress, approved on July 1, 1948, providing for medical care and treatment for certain veterans in the Philippines. His letter states:

This item included \$9,400,000 for construction of hospitals and \$3,285,000 for hospitalization as authorized in Public Law 865.

Both these items were budgeted. I shall offer them as amendments, but I ask that they may be taken to conference, where the Senate conferees will be free to go into the matter.

At this point I ask that the amendment be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 62, after line 10, it is proposed to insert a new paragraph, as follows:

Grants to the Republic of the Philippines: For payments to the Republic of the Philippines of grants in accordance with the act of July 1, 1948 (Public Law 865), for (a) construction and equipping of hospitals, \$9,400,000, to be immediately available and to remain available until expended, and (b) expenses incidental to medical care and treatment of veterans, \$3,285,000.

Mr. O'MAHONEY. Mr. President, in connection with the amendment, I ask unanimous consent to have printed at this point in the RECORD the letter I have received from the Assistant Secretary of State.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, July 12, 1949.

The Honorable JOSEPH C. O'MAHONEY,
United States Senate.

MY DEAR SENATOR O'MAHONEY: The Department understands that the Committee on Appropriations of the Senate has reported to the Independent Offices appropriation bill (H. R. 4177) but that the committee report has deleted an item for the implementation of Public Law 865 of the Eightieth Congress approved on July 1, 1948, providing for medical care and treatment for certain veterans in the Philippines. This item included \$9,400,000 for construction of hospitals and \$3,285,000 for hospitalization as authorized in Public Law 865. The Veterans' Administration was not able to have this item included in the original budget for 1950, but it was sent to the Senate by the President in Senate Document No. 44 as a budget amendment.

The Department on June 7 concluded an agreement with the Philippine Government for the implementation of Public Law 865 and is now in receipt of a telegram from our Chargé in Manila stating that press stories on the possibility of eliminating this item have reached Manila. The Chargé feels that failure to include these funds in the current bill would be a severe set-back to the veterans' program in the Philippines and that it

would be particularly unfortunate in view of the recent favorable publicity accorded at the signing of the agreement. The agreement of June 7 included a safeguarding clause which provided that implementation of the act would be subject to the availability of appropriations, but the failure to make the necessary funds available to do so will nevertheless place this Government in an embarrassing position. There is widespread feeling in the Philippines that the provisions of Public Law 865 did not discharge in full our obligations to Philippine veterans and the Department has been under considerable pressure to support additional legislation for the extension of further benefits to Philippine veterans, and it is a matter of record that Public Law 865 as finally enacted carried out only in part recommendations which had been sent to the Congress by the President.

As a result of this feeling and the further fact that the people of the Philippines are seriously disturbed by recent events in the Far East, the failure to make appropriations available to carry out the agreement of June 7 and the provisions of Public Law 865 could have very serious repercussions. It might be interpreted in the Philippines and perhaps elsewhere to indicate a lessening of interest on the part of the United States Government and a withdrawal of support from elements which had heretofore demonstrated friendly feelings toward the United States. A further complicating factor in this situation is the fact that in November of this year a Presidential election is to be held in the Philippines, and this action might be seized upon by people not friendly to the United States who would claim that it was futile to look forward to close association with the United States Government which could not be depended upon to carry out agreements to which both the Congress and the administration were committed.

For the foregoing reasons the Department looks upon this matter as one of considerable urgency and hopes that it will be possible to restore this item in the appropriation bill.

The Department has noted that on July 8 you filed a motion to suspend the rules to introduce certain amendments to the bill on the floor and expresses the hope that you will find it possible under the rules to introduce also the attached proposed amendment, which would accomplish the purposes desired. Owing to the urgency of the matter it has not been possible to secure formal concurrence from the Veterans' Administration and the Bureau of the Budget, but this proposal has been discussed informally with both agencies, and the Department is authorized to state that the foregoing meets with their approval.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. As a member of the subcommittee and also of the full committee, I ask if the Senator will state whether any justification was made for this item?

Mr. O'MAHONEY. Oh, yes; there was testimony in justification.

Mr. WHERRY. I did not hear it.

Mr. O'MAHONEY. The Eightieth Congress passed a law specifically granting this.

Mr. WHERRY. I understand that.

Mr. O'MAHONEY. And the justification was that in compliance with that law, we were to build the hospital, and that this estimate is the estimate of what

the cost will be, and that the \$3,285,000 is the estimate of the expenses incident to medical care and treatment of the veterans.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. Was the Bureau of the Budget consulted about this item?

Mr. O'MAHONEY. The Bureau of the Budget submitted the estimate, but we cut it out.

Mr. WHERRY. What did the House of Representatives do?

Mr. O'MAHONEY. My recollection is that this was not considered by the House of Representatives.

Mr. WHERRY. Why was it not considered by the House of Representatives, if there was a budget estimate? Did the budget estimate come here after the House had passed the bill?

Mr. O'MAHONEY. The House did not consider all the budget estimates. Let me read the letter from the Assistant Secretary of State.

Mr. WHERRY. First, let me inquire whether the Budget Bureau recommended the amount to the House of Representatives. I should like to ask about this, because I think both the Senator from Wyoming and I are trying to accomplish the same thing.

Mr. O'MAHONEY. The budget estimate did not go to the House. It came to the Senate and was submitted in Senate Document 44, which called for grants to the Republic of the Philippines in the amount of \$12,685,000.

Mr. WHERRY. Mr. President, if the Senator from Wyoming will yield further, let me say I understand that the answer is or must be, from the Senator from Wyoming, that the budget estimate was not submitted to the House of Representatives.

Then I ask this question: Was that because the evidence was not ready at the time?

Mr. O'MAHONEY. I understand that to be the fact.

Mr. WHERRY. Then the budget estimate was prepared and was presented to the Senate. Is that correct?

Mr. O'MAHONEY. The Senate committee considered it, but did not vote to adopt the amendment. But after that action, the chairman of the subcommittee received this letter, in which it is pointed out that on June 7 the State Department had concluded with the Philippine Government an agreement for the implementation of Public Law 865 of the Eightieth Congress; and the letter states that the State Department "is now in receipt of a telegram from our chargé in Manila stating that press stories on the possibility of eliminating this item have reached Manila. The chargé feels that failure to include these funds in the current bill would be a severe setback to the veterans' program in the Philippines and that it would be particularly unfortunate in view of the recent favorable publicity accorded at the signing of the agreement."

So, Mr. President, I submit that if we are permitted to take the item to conference, the conferees will be free to go into the matter there in more detail.

Mr. WHERRY. Did that letter come after the subcommittee acted?

Mr. O'MAHONEY. Yes; it is dated July 12.

Mr. WHERRY. So it is new evidence, evidence which was not before the subcommittee. Is that correct?

Mr. O'MAHONEY. Precisely.

Mr. WHERRY. And it is on the basis of that new evidence that the chairman of the subcommittee believes the amendment should be adopted and taken to conference. Is that correct?

Mr. O'MAHONEY. Yes. This came after the full committee made its report. I pointed out that I was not familiar with the amendment, that the letter had been received, and that I would offer the amendment with the understanding that it be reviewed in conference. Before making the presentation of the amendment here, I presented the letter to the senior minority member of the committee.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. What is the total amount?

Mr. O'MAHONEY. The total is \$12,685,000, of which \$9,400,000 is for construction and equipping of the hospital, and \$3,285,000 is for expenses incident to medical care.

Mr. WHERRY. Mr. President, I shall not resist in any way this suggestion by the chairman of the subcommittee, now that the new evidence is before the Senate. I remember distinctly that in the committee we did not vote for the appropriation which was requested by the agency and by the Bureau of the Budget.

I point out that although after 5 days we have been able to save approximately \$20,000,000 by reducing the appropriations carried by this bill, yet, on the other hand, at this time in 5 minutes or so we are about to restore to the bill appropriations in the amount of approximately \$12,000,000, on the basis of evidence which was not before the committee when the committee voted to report the bill.

Mr. O'MAHONEY. The Senator from Nebraska is quite correct.

Mr. WHERRY. It seems that many of the efforts for economy will thus be defeated.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Wyoming [Mr. O'MAHONEY].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, the last amendment which the chairman of the subcommittee will offer is one to correct a typographical error, by correcting the spelling of the word "classification", on page 75. I offer the amendment and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 75, in line 7, it is proposed to strike out the misspelled word "Clasification" and insert in lieu thereof "Classification."

The VICE PRESIDENT. Without objection, the correction will be made.

Mr. KILGORE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, before the period in line 5, it is proposed to insert a colon and the following: "Provided further, That no part of this appropriation shall be used for the acquisition of natural gas for use as fuel at the atomic energy installation at Oak Ridge, Tenn."

Mr. KILGORE. Mr. President, in support of the amendment, let me say the Oak Ridge plant is now equipped for coal. It will cost considerable money to change over to gas. Had the plant been constructed so as to use both gas and coal, or to use gas as an auxiliary fuel in the installations there, I would not seriously object. But it seems to me, in view of the existing coal-burning plant at Oak Ridge, it is a shame to bring gas there.

Moreover, in the closing paragraph of the report the committee sustains me in regard to this matter. It is the Commission's idea, not the Joint Committee's idea.

Mr. WHERRY. Mr. President—

Mr. O'MAHONEY. Mr. President, I ask the Senator to wait just a moment, if I may have the floor.

Let me say that I am reluctant to raise the point of order, but I am afraid this amendment is subject to the point of order that it is legislation on an appropriation bill. Therefore, I feel required to raise that point of order.

Mr. WHERRY. Mr. President, does the Senator from Wyoming say he is making a point of order against this amendment?

Mr. O'MAHONEY. Yes.

Mr. KILGORE. Mr. President, I think it is a limitation.

Mr. WHERRY. The point of order has been made, and of course it must be ruled upon.

The VICE PRESIDENT. The Chair is constrained to suggest that although the amendment may be in the nature of an amendment changing the effect of a present law, it is a prohibition against an expenditure for a certain purpose.

Mr. O'MAHONEY. Mr. President, it undertakes to control the exercise of discretion by the Commission.

The VICE PRESIDENT. That is true, but the Chair cannot pass on the wisdom of that.

The Chair must pass on the point of order. The Chair rules that the point of order seems not to be well taken.

The question is on agreeing to the amendment of the Senator from West Virginia.

Mr. WHERRY. Mr. President, I should like to ask about this matter. I am not sure whether the distinguished Senator from West Virginia has the information, but, as I recall, in the Small Business Committee, at the time when the company was to supply the fuel, we made a great effort to get the steel for this pipe. Has any of the pipe been laid?

Mr. KILGORE. I do not know.

Mr. WHERRY. I am interested in ascertaining how much money, if any, has been spent by us for the pipe line. I should like to know how much steel

went into it. Also I should like to know whether the amendment, if adopted, will cause us to abandon the pipe line, thus causing considerable loss.

Mr. KILGORE. We are not building a pipe line at all.

Mr. WHERRY. But the company is. Is the United States going to pay the company?

Mr. McMAHON and Mr. MAYBANK addressed the Chair.

The VICE PRESIDENT. Does the Senator yield; and if so, to whom?

Mr. WHERRY. I yield first to the Senator from Connecticut, and then I shall yield to the Senator from South Carolina.

Mr. McMAHON. Mr. President, the pipe line is under construction in accordance with the terms of a contract which has been entered into between the Tennessee Natural Gas Pipe Line Co. and the Atomic Energy Commission, under which the Commission agrees to take a certain amount of gas over a period of years. The corporation has been granted its certificate of convenience and necessity by the Federal Power Commission, and the pipe has been pretty well put into the ground.

I may say to the Senator, the Joint Committee on Atomic Energy was advised a year or more ago of the fact that this contract was anticipated and was proposed by the Commission; that is, they were going to enter into it. There was no manifestation of approval or disapproval by the joint committee in the Eightieth Congress, and the Commission went ahead and entered into the contract. After the contract got pretty well along and when protests were received, I, as chairman, appointed a subcommittee. The subcommittee went into the matter and came to the conclusion that reliance should be had on coal alone.

Since that time, speaking only for myself, there has been a great deal of testimony heard. I do not mean that I have heard it alone, but I have heard the testimony, and my individual judgment at this time is, first, that we have gone far along the road in setting up contractual rights, and, second, the case made by the Commission in its presentation was such as to persuade me that I should not inject my judgment in place of their judgment that a supplementary and auxiliary fuel was desperately necessary, in view of the vital character of this installation.

I can sympathize with the Senator from West Virginia in his desire to see that coal produced in that region should be used in the plant; but it is my understanding there is no intention of cutting off the use of coal entirely, but it will be more or less a 50-50 proposition. However, I do believe the situation is such now as to make very unwise the adoption of this amendment.

Mr. KILGORE. Mr. President, will the Senator from Nebraska yield for a question to the Senator from Connecticut?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from West Virginia?

Mr. WHERRY. I will yield in a moment, but first I want to yield to the Senator from South Carolina, because he rose once before.

Mr. MAYBANK. I merely wanted to answer the Senator's question about the allocation of steel. The Senator brought that out. The steel was allocated by the Department of Commerce, and it is still under allocation by that Department.

Mr. WHERRY. I am now glad to yield to the Senator from West Virginia.

Mr. KILGORE. I ask the Senator from Connecticut: What authority has he for the statement that both fuels will be used? The Senator knows that the two types of fuels are not interchangeable in boilers or in heaters. It is impossible to burn coal today and gas tomorrow. Entirely different facilities must be provided, otherwise a tremendous amount of gas could be wasted.

Mr. McMAHON. That is true. Of course we have more than one boiler plant in that area, as the Senator knows.

Mr. KILGORE. Yes.

Mr. McMAHON. I will be frank and say that probably more gas will be used than coal.

Mr. KILGORE. Is it not correct to say it will be nearly all gas? In fact, is not the contract of such an enormous size that there is a guaranty to pay back within 5 years in profits to the company \$6,000,000, and that it will necessitate the exclusive use of gas?

Mr. McMAHON and Mr. KEFAUVER addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; if so, to whom?

Mr. WHERRY. Mr. President, I do not want to indulge the Senate in colloquy. I will ask a question, or answer one, after which any Senator may have the floor in his own right. I want to get back to this contract. I should like to know whether, in the event of our voiding the contract or violating its provisions through refusing to take gas, the United States becomes liable for the payment of reparations as a result of cutting off the gas?

Mr. McMAHON. Mr. President, is the Senator asking me?

Mr. WHERRY. I am asking the Senator from Connecticut.

Mr. McMAHON. In my opinion there is a valid contractual right on behalf of the gas company, and I think the United States would definitely be liable in damages upon the cancellation of the contract at this time.

Mr. WHERRY. Would that be because, in order to comply with the contract, the company has gone ahead and installed gas pipe?

Mr. McMAHON. That is correct.

Mr. WHERRY. Does the Senator have any idea as to how many miles of gas pipe have been installed? Can the distinguished Senator from Tennessee tell me that?

Mr. KEFAUVER. I may say to the Senator that about 4 or 5 days or a week ago my information was they had about 50 miles of pipe actually laid. They have purchased the right-of-way, and they have dug their ditch for probably 50 or

60 miles or more. The total distance I believe is about 115 or 120 miles. It is at least half laid.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. CONNALLY. Mr. President, I happen to be a member of the Joint Committee on Atomic Energy, and I sat in the hearings on this subject when the matter was before the committee. I want to say a very splendid case was made with respect to anticipated savings. The witnesses also pointed out the progress which had been made in connection with adopting this plan. I think it would be most unwise to adopt this amendment and to wreck what has been done, in order to undertake to use some other fuel. I think it would be most unwise.

Mr. FERGUSON. Mr. President, will the Senator from Nebraska yield to me, in order that I may ask the Senator from Texas a question?

Mr. WHERRY. I am glad to yield. I intended to yield the floor in a minute, but I am glad to yield to the Senator to enable him to ask a question of the Senator from Texas.

Mr. FERGUSON. Did not the subcommittee find that the pipe-line and gas installation should not be proceeded with?

Mr. CONNALLY. I cannot advise the Senator as to that. I do not know.

Mr. FERGUSON. Mr. President, would the Senator from Connecticut care to answer that question?

Mr. McMAHON. I was not a member of the subcommittee myself, but the subcommittee found, in its judgment, that it was unwise to do so. I must say to the Senator, the subcommittee did not have as much evidence as later came before the full committee in the course of the investigation that we have been conducting. I am delighted that the Senator from Texas reminded the Senate, and incidentally myself, of the amount of money which is going to be saved by the use of gas. I think it will run about \$750,000 a year, if I am not mistaken.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. Just a moment. I yielded to the Senator from Texas.

The VICE PRESIDENT. The Senator will suspend until the Senate is in order. Senators will resume their seats. The Senator from Nebraska has the floor. To whom does the Senator yield?

Mr. WHERRY. I yield to the Senator from Texas.

Mr. CONNALLY. I believe the question propounded by the Senator from Nebraska a little while ago was whether, in the event the program undertaken by the Commission is abandoned, there will be financial recourse against the Government of the United States. Was that the Senator's question?

Mr. WHERRY. That is correct.

Mr. CONNALLY. There will be, of course, if the United States Government has any integrity and any moral conviction. It will of course cost money.

Mr. WHERRY. If I may, I ask the Senator, in the event this is done, what will it cost the Government? Can the Senator tell me?

Mr. CONNALLY. I cannot answer that question.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. KEFAUVER. The testimony given in the hearings shows that if this is done, the Government will save \$1,200,000 a year by reason of the difference in the price of the fuel it will use.

Mr. WHERRY. The Senator means, if gas is used, does he not?

Mr. KEFAUVER. If gas is used to the extent planned, the Government will save \$1,200,000 a year.

Mr. WHERRY. Does the Senator mean as compared to the use of coal?

Mr. KEFAUVER. That is correct.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. McKELLAR. Mr. President, I desire to say that it is unquestionably true that at least \$1,000,000 a year will be saved by the use of gas. Besides, it can be more economically administered than can coal. It is absolutely necessary for this great undertaking to have connection with a gas line. In addition to that, if the contract be broken, the United States Government will have to pay damages. For those reasons, I hope the Senate will not adopt this amendment.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HICKENLOOPER. Mr. President, being a member of the Joint Committee on Atomic Energy, I should like to state my recollection of the situation for the record.

A year or so ago the Commission reported to the joint committee that the installation of this pipe line, which will cost approximately \$10,000,000, was absolutely essential in the interests of national defense. The Commission made a strong representation to that effect. The joint committee took the word of the Atomic Energy Commission that that statement was correct. Later, near the end of last year, complaints began to come in that misrepresentations had been made on that score. After the Senator from Connecticut [Mr. McMAHON] became chairman of the joint committee, he appointed a subcommittee to look into the question. The subcommittee found, and reported unanimously, that the installation of the gas line was not necessary in the interests of national defense, that it was only a matter of convenience, and the subcommittee unanimously opposed the construction of the pipe line.

That subcommittee report, which is on file, was submitted to the entire Atomic Energy Committee which, in turn, formally, without a dissenting vote, voted approval of the report. The subcommittee was appointed prior to the beginning of the building of the pipe line, and prior to the issuance of the certificate of convenience and necessity. That certificate was issued after the subcommittee had been appointed and while it was still holding its hearing.

The agency which passes on the issuance of certificates of convenience and necessity said it granted a certificate to

the Tennessee Gas Co. solely on its representation that it was vital in the interest of national defense. Our subsequent investigation and the report of the subcommittee found that was not true, that there is ample storage for coal, that there is ample conveyance to get the coal in, and that the gas line is not at all essential in the interest of national defense. The record so shows.

However, immediately upon the issuance of the certificate of convenience and necessity the contract between the Atomic Energy Commission and the Tennessee Gas Co. went into effect, and construction of the pipe line was started, even while the subcommittee was investigating the complaints which had been received. It is my information that approximately half of the pipe line has been constructed by this time and the right-of-way for the rest of it has been acquired.

I think the gas line is not essential. I do not agree that it will effect a substantial saving to the Government. I do agree that, based upon present gas rates, but not upon assured gas rates in the future, there is an indicated saving of a substantial amount of money each year for the Government.

I do not know whether the Senator from Tennessee [Mr. KEFAUVER] has the record of the hearings, but in the hearings of the joint committee it appears that a slight increase in the price of gas, considering the volume used, will put the price of gas above the price of coal. We do not know that the price is going to be increased, but a certain small increase per cubic foot will increase the cost of the gas over the cost of coal, so that the question of whether it is a long-range saving to use gas is a speculative question at this time. It is not an assured fact.

But we come to the dilemma to which the Senator from Nebraska has referred. I do not have the figures, and I do not know where they can be found, but it is my judgment that since we have been proceeding so far with the construction of the gas line—and I agree with the Senator from Texas that if it is stopped at this time the Government will be liable for a whale of an amount of money in damages, and I assume that the Senator from Tennessee [Mr. KEFAUVER] has the correct figures when he states that approximately 50 miles of the line has been built of a 117-mile pipe line, a \$10,000,000 proposition—based on that figure we probably will stand a three- to four-million-dollar damage loss if we cancel the contract. I do not know that to be a fact, but I assume the probability of it. It may have gone so far that it would be unwise economy for us to cancel the contract. It is a dilemma in which I hate to see the Government placed, but it is a situation which we have to face. I feel that the pipe line should never have been built. But that is what has been done, and that is the condition at the moment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. I should like to ask whether or not this contract has a firm

price for gas for any period of time, or can the price be raised?

Mr. HICKENLOOPER. I cannot recall the exact terms of the contract. I believe they can be very easily obtained. I think it is one of the sliding-scale contracts based upon general prices of gas delivered at the valvehead at various places and dependent somewhat upon the price in the gas fields, the source, regulatory acts that may enter in, unforeseen taxes, and matters of that kind. I think it is a perfectly standard contract form. I do not think there is anything wrong with the terminology of it. I think the so-called savings are purely speculative.

Mr. FERGUSON and Mr. LONG addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and, if so, to whom?

Mr. WHERRY. I shall be glad to yield for a question.

The VICE PRESIDENT. The Senator from Nebraska has the floor.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. WHERRY. I yield for that purpose.

Mr. FERGUSON. Is it true that the Atomic Energy Commission contracted in such manner that by putting the price of the pipe line into the price of the gas it would not be necessary to come to Congress for an authorization to do this particular work?

Mr. HICKENLOOPER. My understanding is that the cost of the pipe line is to be paid out of the price of gas over the next 3 or 4 years. It is not a direct appropriation, but there would be a damage penalty if the contract were canceled.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I have before me the contract which was entered into between the East Tennessee Natural Gas Co. and the Atomic Energy Commission. There is no right to change the rate which the gas company will charge for gas until the expiration of 3 years from the date of the first delivery. Then there is the usual clause concerning renegotiation and what not.

Mr. HICKENLOOPER. Sometimes it is the "what not" that causes the trouble.

Mr. KEFAUVER. There is a clause concerning renegotiation. There is also a provision that the amount paid depends upon the amount of gas used.

I may say in this connection, Mr. President, that the East Tennessee Natural Gas Co. is not a company that was formed for the particular purpose of entering into this contract. This is not a large, Nation-wide company. It is a small corporation, owned by people living in Tennessee. They have a contract for the furnishing of gas to the city of Nashville. About a year ago they received a tentative certificate of convenience and necessity for building a gas line from near the Kentucky and Tennessee line down to Oak Ridge, Knoxville, and Alcoa, and then also the company received a certificate to build a

line from near the Mississippi line, where the Tennessee gas and transmission line comes from Texas on up to the Appalachian region, to furnish gas to Chattanooga and the adjacent region of southeastern Tennessee.

The East Tennessee Natural Gas Co. entered into this contract with the Atomic Energy Commission in June 1948. The transaction was reported to Congress and it has been fully publicized in the newspapers for more than a year. They made an application a long time ago for a certificate of convenience and necessity and they received a tentative or conditional certificate. The matter was brought up about the certificate being issued only recently. That refers to the final certificate.

The company has gone to a great deal of trouble and expense in securing an allotment of steel pipe in order to have the pipe available. It has arranged all its financing, and I might say this runs into the millions of dollars. It finally started this project.

Regardless of the original merits or demerits of gas or coal—and I think the Atomic Energy Commission intends to use both at Oak Ridge, to save money if it can—it wants to have both sources of power available. It is certainly not in keeping with the dignity of the Federal Government to authorize one of its departments or corporations to enter into a valid contract, as it did more than a year ago, no complaint being made about it until after they arranged their financing, secured their certificate of convenience and necessity, and laid and built more than half the pipe, and secured the right-of-way for the other part, and then have the contract abrogated.

In my opinion, in good conscience the Government should go through with this contract. As matters now stand, the Government will save \$1,200,000 a year. It will still use much coal. If the rates for gas go up after a period of 3 years, the Commission will use more coal or it may use coal almost exclusively. As I see it, the Government has everything to gain and nothing to lose by carrying out this contract, into which it entered in good faith, and which this company entered into in good faith, relying on the ability of the Government to carry out its agreement. Perhaps if this issue had been raised earlier a different decision should have been reached, but both parties have proceeded too far to terminate it now.

Mr. WHERRY. Mr. President, I could not understand why an amendment was offered to change over to coal, in view of the fact that so much work had been done on a pipe line to supply this activity in the interest of national defense. Now we find that after the work has been done, there is a proposition here to change over to coal.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. WHERRY. Not for a moment; then I shall yield.

I have much sympathy for the Senator from West Virginia. This is the first time I have known the conditions. We have not gone into this matter. I have

worked diligently to get all the facts since the amendment was offered, but it is a fact that in the report the joint committee said on May 23, 1949, that the Commission's action had been taken without consultation with the National Security Resources Board. That was before the contract was entered into between the Atomic Energy Commission and the contracting company. So I suppose the Senator from West Virginia has a point there. But that still does not solve the dilemma we are in, because 50 or 60 miles of the pipe line has been built, and another 50 or 60 miles of pipe line is to be built, according to the contract, and when it is all over, several million dollars will have been spent.

Whether or not we can get a cheaper gas rate, or coal will be down in price, I do not know. I was mayor of a town once which had that problem before it. One year gas would be cheaper, another year higher. Usually the price of coal went up and down with the price of gas. Perhaps that will happen in this case; I do not know.

Certainly if we violate this contract, the Government will have to spend some money to make good the loss sustained. That is a certainty. Whether or not we could save enough over 20 years by using coal instead of gas to meet that expenditure I do not know.

Personally I am strong for carrying out my contracts. I think when one enters into a contract he should perform all its conditions, if possible. It seems to me we will have to go ahead and complete the contract. We will violate our contract if we turn to coal. Perhaps we will turn back to coal some time.

It seems to me that on the evidence submitted there is confusion. I do not see how one can intelligently vote on the amendment offered by the Senator from West Virginia at this time, although he might have a good case.

Now I am glad to yield to the Senator from West Virginia.

Mr. KILGORE. Mr. President, I merely wish to correct the able minority leader in one respect. The Oak Ridge plant has been in operation for a great number of years, and has been using coal. The proposal is not to change over to coal, and I want the Record to so show. The distinguished minority leader has been constantly saying I was asking for a change over to coal.

The Senator from Nebraska does not need to sympathize with me, because my State does not sell any coal to this plant, it comes from Tennessee, and it is the workers in Tennessee who will be thrown out of their jobs. I am sympathizing with them.

I am not asking that a contract be abrogated, but I did want to bring up the point that the effort to get by the report of a congressional committee, to beat the gun by getting the chips on the table in a hurry, is something which should not be passed by without a little admonishment.

Mr. WHERRY. I agree with the Senator in that conclusion. It seems to me that the evidence which has just been submitted shows that the Commission entered into the contract after the re-

port was made, and they did not consult the National Security Resources Board.

If I said they had to change over from gas to coal, or coal to gas, I will correct the Record to fit the conditions which have been submitted by the distinguished Senator from West Virginia. But a contract has been made to use gas, and whether there is a change from coal to gas or gas to coal, I have no idea what it will cost. We are in an understandable state of confusion as to what the cost will be. My opinion is that the Commission will not save as much money over 20 years as is represented, whether coal is used or gas is used.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from West Virginia [Mr. KILGORE].

The amendment was rejected.

Mr. McGRATH. Mr. President, I send to the desk an amendment, and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 70, line 23, after the first comma it is proposed to insert the following:

Expenses (including personal services) in connection with the termination or liquidation of accounts carried on the books of the corporation.

Mr. McGRATH. Mr. President, this amendment is probably unique among those which have been offered to the pending bill. It is an amendment which seeks to get back into the Treasury of the United States several hundred million dollars as quickly as it can be gotten back, and probably that could be accomplished within the next fiscal year.

The amendment applies to the appropriation for the Home Owners' Loan Corporation, which is a Government agency seeking to get out of business; and that in itself is unique.

The Home Owners' Loan Corporation is trying desperately to liquidate. It is trying to liquidate its holdings in its field while the real-estate market is as good as it is at this time for the type of property which is represented in its mortgages. It has sold a considerable number of its mortgages. It has remaining on the books some 200,000 loans which will cost it approximately \$5 apiece, or something less than \$5 apiece, for the additional clerical work necessary to get the titles to these properties in proper order so that they may be transferred to other banking institutions or other institutions that may wish to bid on them either singly or en bloc.

Under the bill as reported by the committee the agency does not have the funds and is not permitted the funds with which to do this necessary clerical work which some day must be done. Without this amendment it would seem to me the Corporation is stopped here and now from continuing its efforts to liquidate. If it does liquidate, the value of its loans is something in excess of, I believe, \$200,000,000. When these mortgages are sold the Corporation's debt to the Treasury will be paid. I think, Mr. President, that here is a chance to do a really good financial job for the Treasury.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. MAYBANK. I should like to say that the subcommittee of the Appropriations Committee handling this item voted to appropriate the money, but the full committee struck it out. I am in thorough sympathy and accord with the Senator from Rhode Island when he says that the funds provided for by the amendment could be used to liquidate the Home Owners' Loan Corporation. Not only would it result in paying back to the Treasury what it owes, but many private banks would also participate to the extent in which they are interested in the loans.

Mr. McGRATH. Mr. President, the Senate should not intentionally want to put itself on record as preventing, by the failure to authorize an expenditure of something less than one million dollars, an agency of this kind from going out of business. We hear much talk about bureaus and bureaucracy in government. Now we have here a good chance to get rid of one agency.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. FERGUSON. The subcommittee has been endeavoring for years to try to get the Home Owners' Loan Corporation to dispose of its mortgages. Do I understand that the Senator's amendment would provide for an extra appropriation of one million dollars?

Mr. McGRATH. No; I may say to the distinguished Senator from Michigan that, as I understand the amendment, it is a sort of an authorization making it possible for the agency to spend whatever may be necessary in order to liquidate the mortgages which it is able to liquidate within the next fiscal year. The cost of liquidation is estimated at something less than \$5 per mortgage. The Corporation has 200,000 mortgages. So if the Corporation were to liquidate all its mortgages within the next fiscal year—and there is a possibility that that could be done—the cost would be, as Senators can readily see, about \$1,000,000.

Mr. FERGUSON. Mr. President, I understand we have given the Corporation about \$10 to service each one of the mortgages. So if the Corporation is able to dispose of the mortgages at \$5 or less apiece it would appear that the Corporation would not need any further appropriation.

Mr. McGRATH. Whether the Corporation can do that under the servicing appropriation I am not able to say.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McGRATH. I am glad to yield. I am sure the distinguished chairman of the subcommittee knows much more about the subject than I do.

Mr. O'MAHONEY. May I have the attention of the Senator from Michigan? The amendment which the Senator from Rhode Island has offered does not carry any money at all. It simply authorizes the Home Owners' Loan Corporation, within the appropriation which has been allowed, to undertake the expense if the

money is available, in order to proceed with liquidation.

Mr. FERGUSON. The Senator from Michigan is in sympathy with that and has advocated such procedure for 3 years, but we have never been able to get the Corporation to sell the mortgages. I call the attention of the Senate to the fact that if it costs \$5 or less to sell one of the mortgages and close it out, and it costs \$10 to service the mortgage for a year, the Corporation should be able to close out the mortgages during the year and not come back for any further money for servicing.

Mr. O'MAHONEY. That is our hope.

Mr. McGRATH. It is hoped the Corporation may be able to do so. The amendment does not ask for additional money.

Mr. IVES. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. IVES. I should like to raise a point with the able Senator from Rhode Island. In effect the cost would not be any more one way than it would the other, as I understand. The amendment of the Senator from Rhode Island would merely allow the Home Owners' Loan Corporation to expedite the liquidation of the Corporation.

Mr. McGRATH. Some day the Corporation will have to be liquidated. Some loss may be suffered if the liquidation is made in a declining market. Some of the properties under mortgage are not of the best, nor are the properties in the best of condition. New housing is being built throughout the United States, and as the Corporation sells its mortgages it may lose some money on the principal.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. WHERRY. The amendment provides for an authorization, however, which might entail appropriations later on?

Mr. McGRATH. It may be that a deficiency appropriation will be asked for, but at the present time the amendment merely provides for getting the titles to the properties in order.

Mr. O'MAHONEY. The Home Owners' Loan Corporation operates with its own funds, and we are authorizing them to use their receipts for the purpose of expediting the liquidation.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. McGRATH].

The amendment was agreed to.

Mr. LONG. Mr. President, on behalf of myself, the junior Senator from Alabama [Mr. SPARKMAN] and the junior Senator from Mississippi [Mr. STENNIS], I offer an amendment on page 53, line 2, to strike out "September 30" and insert in lieu thereof "December 31".

Mr. O'MAHONEY. I understand the purpose of the amendment is to extend the period from September 30 to December 31 within which this contract authority may be exercised.

Mr. LONG. That is correct. The time provided is so brief that many of the shipyards cannot proceed with the construction of ships.

Mr. O'MAHONEY. Mr. President, I am willing to accept the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Louisiana on behalf of himself and other Senators.

The amendment was agreed to.

Mr. MORSE. Mr. President, I call up two amendments, lettered "F" and "G," and ask that they be stated.

The VICE PRESIDENT. Does the Senator from Oregon desire that the two amendments be considered en bloc?

Mr. MORSE. I do.

The VICE PRESIDENT. The amendments will be stated.

The LEGISLATIVE CLERK. On page 10, before the semicolon in line 12, it is proposed to insert a comma and the following: "which are not available in the Federal service."

On page 12, before the period in line 16, it is proposed to insert a comma and the following: "or for the compensation or expenses of any member of a board of examiners who has not filed an affidavit that he is not, and within the fiscal years 1948 or 1949, has not been, pecuniarily or otherwise interested in any proceeding before any agency (as defined in section 2 of the Administrative Procedure Act), or any other proceeding to which the United States is a party."

Mr. MORSE. Mr. President, I hope the Senator from Wyoming will agree to take these two amendments to conference. I have a brief explanation to make of them.

Although there may be serious question as to the legality of its action, the Civil Service Commission has publicly contended that under authority granted by the Administrative Procedure Act it delegated to a nongovernmental group the power to determine whether or not incumbent and applicant hearing examiners for governmental agencies possessed requisite qualifications. Mr. President, shortly thereafter a question was raised as to the legality of this action, and it was suggested that the Commission obtain an opinion from the Attorney General sustaining the legality of its action. Had it done so, I think a rather unfortunate incident, about which I shall comment very shortly, could have been avoided. But, so far as I know, the Commission never saw fit to ask the Attorney General to give it an opinion on its original action.

Serious allegations have been made by a number of responsible attorneys and organizations not only as to the questionable legality of the delegation of power by the Commission, but also as to the impartiality of the Board of Examiners to which this power was delegated.

Mr. President, I wish to make perfectly clear that I raise no question as to the impartiality of the board of examiners. For example, I know the distinguished justice of the California Supreme Court, Justice Edmonds, very well. I know of no judge of my acquaintance in the entire United States for whom I have a higher regard than Justice Edmonds of the California Supreme Court. In fact, I want to say that he is the type of judge who in my opinion would do great credit on the United States Supreme Court

itself. So I am discussing this matter quite separate and distinct from the question of the individuals who were selected to form this board, individuals who were selected from outside the Government service.

Among other things, the attorneys who challenge the action of the Commission, allege that the Commission has, in effect, placed the power to control the entire administrative judiciary in the hands of a few non-Government officials.

I have made some investigation of this matter. I am persuaded that my amendments should be adopted.

The Commission's action also has formally been brought to the attention of the Senate in the form of a memorial, seeking full investigation of the Civil Service Commission's conduct, by more than 2,000 practitioners before the Interstate Commerce Commission. That memorial has been referred to the Senate Committee on Post Office and Civil Service.

Without passing upon the merit of the allegations, it is clear that a serious question has been raised which we cannot in wisdom ignore.

Even if the allegations should, after full investigation, prove untrue, this body must protect the integrity of the administrative judiciary.

Furthermore, I desire to point out that the amendment I propose is merely in reaffirmation of a principle clearly enunciated in the body of the appropriation bill itself, on page 12, lines 4 to 10. There a specific exception is noted to sections 281 and 283 of title 18, United States Code. And my proposal is also in reaffirmation of Executive Order 9830, which became effective May 1, 1947, which authorized the Commission to establish committees of expert examiners already in Federal service, and permitted the use of outside groups only where qualified examiners were not available in Federal service.

Mr. President, I am delighted to submit my statement of explanation for the RECORD on the statement of the Senator from Wyoming [Mr. O'MAHONEY], who has just whispered in my ear, that he will be glad to take my amendments to conference. I always settle on such a basis.

The VICE PRESIDENT. The Chair is glad that the art of whispering has been revived in the Senate.

The question is on agreeing to the amendments offered by the Senator from Oregon [Mr. MORSE].

The amendments were agreed to.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article published in today's Washington News. The article is entitled "Entire Board Quits in Row With CSC."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENTIRE BOARD QUITS IN ROW WITH CSC

(By John Cramer)

The so-called McFarland Board, which helped the Civil Service Commission conduct its recent exam for Government hearings examiners, has resigned en masse in an angry dispute with the Commission over the han-

dling of the exam, the News learned exclusively today.

The board, composed of outstanding attorneys and judges, was set up 2 years ago as an unpaid group of consultants to pass on the qualifications of hearings examiners—the Government officials who sit as judges when the legality of Federal administrative regulations are challenged.

The board's letter of resignation was submitted last week by Chairman Carl McFarland, Washington attorney.

It follows a long undercover dispute between the board and the Commission over alleged bungling by the Commission—and alleged manipulation of exam grades by Civil Service officials.

Both Mr. McFarland and Civil Service officials confirmed the resignations last night, but neither would divulge details of the dispute.

BYPASSED BOARD, CHARGE

From other sources, however, it was learned that the McFarland Board had accused Commission underlings of ignoring the board's recommendations; of failing to consult it on matters on which it should have been consulted—and of adjusting examination grades without consulting the board.

In one case, it was alleged, subordinate Commission officials insisted on giving an ineligible rating to a hearings examiner who had been rated eligible by the McFarland Board.

In another, an examiner whom the board had declined to rate "eligible" was given this rating by Commission subordinates.

ADJUSTED BY UNDERLINGS

In still other cases, it was alleged, grades of individual examiners were adjusted upwards by subordinate Commission officials, thereby greatly increasing their chances for eventual promotion. (Under Civil Service rules for hearings examiners, all eventually will be placed on a promotion register on which their ranks will be determined by their exam ratings).

The McFarland Board claimed that these and other Civil Service Commission abuses had rendered its work virtually worthless and threatens to destroy the integrity of the entire hearings examiner system.

CSC OFFICIALS DENY IT

Civil Service officials emphatically denied the board's charges.

Along with Mr. McFarland, board members included D. L. Edmonds, associate justice of the California Supreme Court; Joseph W. Henderson, Philadelphia; Laurence M. Hyde, associate justice of the Missouri Supreme Court; Willis Smith, North Carolina, former president of the American Bar Association; Joseph W. Henderson, Philadelphia, also a former Bar Association president and now acting president of Bucknell University, and Wilson M. Mathews of Civil Service.

Mr. Mathews was not a party to the mass resignation.

Justice Reynolds was reported even more incensed than other board members by alleged Commission bungling and abuses.

CONTROVERSY WAS SECOND

The board's mass resignation followed on the heels of an earlier controversy in which it was bitterly attacked by the hearings examiners.

The examiners accused the board of political, racial, and economic bias in its rating of examiners.

These accusations were not made when the board originally was appointed—but were first heard after the board gave ineligible ratings to almost one-third of the 250 incumbent hearings examiners.

RETRATED ALL EXAMS

When the examiners launched their widely publicized campaign of protest, the Commission retrated all exams—and gave eligible rat-

ings to a majority of those previously rated ineligible.

Result is that only about 10 percent of the 250 incumbent examiners now are in the ineligible group—and most of them still have appeals pending before the Commission's Board of Appeals and Review.

The Commission's unofficial explanation at the time was that there had been a misunderstanding about the standards to be applied in the exam.

The McFarland Board, CSC explained, had taken its instructions from ex-Civil Service Commissioner Arthur S. Flemming, who had specified that candidates must be eminently well qualified in order to pass the exam.

By contrast, CSC pointed out, the actual published standards for the exam were somewhat lower—specifying only that successful candidates must possess adequate experience and demonstrate ability to conduct hearings.

OBJECTED TO OVERRULING

The McFarland Board did not object to the new and lower standards.

What the board did object to was the alleged constant overruling of its recommendations by CSC underlings.

That and the alleged manipulation of exam grades.

Mr. PEPPER. Mr. President, I wish to invite the attention of the Senator from Wyoming to line 2 on page 58—

Mr. WHERRY. Mr. President, may I inquire, if the Senator will yield, whether it is the intention of the majority leader to continue in session this evening until the bill is finished?

Mr. O'MAHONEY. Mr. President, the bill is about to be finished.

Mr. WHERRY. Is there to be a record vote?

Mr. O'MAHONEY. I have no desire to call for another record vote. I have called for very few of them. There have been 16. I think that is enough for a good bill such as this.

Mr. PEPPER. Mr. President, I am not going to ask for a record vote.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FERGUSON. Whether or not there will be a record vote depends upon what the Senator from Florida asks us to add to the bill.

Mr. PEPPER. As I say, I am not going to ask for a record vote. I do not know what other Senators intend to do.

The VICE PRESIDENT. The Senator from Florida may proceed.

Mr. PEPPER. Mr. President, I ask the attention of Senators to line 2 on page 58. That is the figure in which the appropriation is made for administrative, medical, hospital, and domiciliary services for the veterans' hospital system.

The VICE PRESIDENT. That is a committee amendment which was agreed to earlier in the day.

Mr. PEPPER. Yes. I am going to ask that the vote by which it was agreed to be reconsidered.

Mr. O'MAHONEY. Mr. President, it is my understanding that what the Senator wants to do is to add some \$8,406,060 to the item which has been approved by the Senate.

Mr. PEPPER. No. The amount I wish to add is the amount recommended by the Director of the Veterans' Administration. I have it evidenced by two letters.

Mr. O'MAHONEY. That is the same thing.

Mr. PEPPER. That would be a total of \$48,000,000 over what the Senate committee recommended. I believe the Senator from Wyoming recommended an addition of only \$16,000,000, so it would be the difference between \$16,000,000—

Mr. O'MAHONEY. This afternoon the Senate, on the recommendation of the committee, and acting at the suggestion of the Director of the Budget, restored \$16,000,000 of the budget estimate, but that is \$8,406,060 less than the amount which the Senator from Florida is now urging.

Mr. PEPPER. Mr. President, if the Senator will allow me, my amendment was to add \$48,000,000.

Mr. O'MAHONEY. Then the Senator is going above the budget estimate.

Mr. PEPPER. Oh, yes; of course.

Mr. WHERRY. Mr. President—

The VICE PRESIDENT. The amendment cannot be offered unless the Senate reconsiders the vote by which the committee amendment was agreed to.

Mr. PEPPER. Mr. President, I move that the vote by which the committee amendment on page 58, line 2, was agreed to, be reconsidered, and I wish to be recognized to address myself to the motion.

Mr. WHERRY. Mr. President, does not that require unanimous consent?

The VICE PRESIDENT. No. The Senator from Florida is moving to reconsider the vote by which the committee amendment on page 58, line 2, was agreed to.

Mr. WHERRY. Mr. President, I suggest to the distinguished Senator in charge of the bill that it is now 6:20. I submit that this is not the proper time, after Senators have left, to make a motion to reconsider the vote. I am not saying that the distinguished Senator from Florida is not perfectly within his rights in doing so, but I think he will agree with me that at this late hour Senators who might have made up their minds on this particular issue should be here to vote on it.

Mr. O'MAHONEY. Mr. President, the reason I address myself to the Senator from Florida is that I recognize exactly the condition which has just been described by the Senator from Nebraska. It would be utterly impossible to bring to the floor at this time Senators who are concerned about this item. I point out to the Senator that the committee has gone a long way toward meeting the need for funds for this purpose. The Bureau of the Budget has been trying to keep expenditures down. We are all interested in providing hospital care for veterans. The Senator's suggestion would not only restore \$8,000,000 plus which the Bureau of the Budget recommended to us be not allowed, but would go above the budget estimate. The truth of the matter is that a point of order would lie against an amendment which is not supported by a budget estimate, when the standing committee has not recommended it.

Let me say to the Senator that the objective which he seeks to serve can much better be handled before a committee in connection with one of the deficiency bills than it can be handled

here at this time. We can finish consideration of this bill tonight. We have been on it for 5 days. We have had 16 yea-and-nay votes. The chairman of the subcommittee has been in attendance throughout. Several other members of the committee, including minority members, have been faithful in their attendance. We have undertaken a tremendous task. I hope the Senator from Florida will not, by pursuing this motion to reconsider, compel us to go over another day, and thereby block again consideration of the ECA appropriation bill.

Mr. McKELLAR. Mr. President, may I express the hope that the Senator will not offer his amendment tonight?

Mr. PEPPER. Mr. President, if the Senator will allow me, I had no other way to gain the floor, I felt, except to make the motion, or give notice of making the motion.

Mr. President, I will accede to the request of Senators, but I wish to add just one word. I am a little reluctant, even when it is a question of propriety, at the end of a long day, to commit myself to something which will mean that the veterans of this Nation's wars will not have enough doctors, nurses, and technicians, and enough other personnel to give them the care they require. I say that that is a matter which should have some weight upon the conscience of this Congress.

The Senator from Wyoming is correct. The Budget Bureau did not allow this \$48,000,000, but the reason I bring this question up is that I am chairman of the Veterans' Subcommittee of the Senate Committee on Labor and Public Welfare. We have jurisdiction directly over the hospital program of the veterans. We have conducted hearings in this general field, and I feel some sense of duty and obligation in that position to do what I can to see that the veterans get the necessary medical, hospital, and other care which they require.

Let me read what the Veterans' Administrator says about this question:

Under the funds now appropriated in the bill for this program—

All that has been added is \$16,000,000, and not \$48,000,000, as requested by the Veterans' Administrator—

Under the funds now provided in the bill for this program, there are anticipated delays in opening additional beds for use as they become available, and either a lessening of the quality of medical care now being furnished—

An alternative which the Administrator has stated he will not follow—

or the closing of beds now in use, in order to maintain present standards of care. The budget estimate for the medical, hospital, and domiciliary-care program as submitted to the Congress provides 8,331 less personnel than was actually authorized in this program on April 25 of this year.

Present construction schedules call for the completion and opening of 10,306 additional standard hospital beds between the dates of May 1, 1949, and June 30, 1950. This total number of new beds will provide an increase in average capacity of 4,891 beds during that period and will require \$15,871,573 to staff and operate these beds at the average costs contained in our budget estimates.

The amount of \$48,000,000 in addition to providing staff for new hospital beds as they become available will permit maintenance of a personnel-to-patient ratio for hospitals of approximately one employee to one patient for all hospitals combined.

Then he goes on to say that the effect of this appropriation is going to require one of two things. This is what he says:

It will be noted from the preceding table that the budget estimate as submitted and as passed by the House would provide a ratio of 0.895 employees per patient for all hospitals and a ratio of 0.795 employees per patient if domiciliary care is included. Addition of the requested \$48,000,000 will permit continued operations at the present level and permit a ratio of 1.034 employees per patient at hospitals thus avoiding a reduction of staff at existing hospitals or closing of beds in order to retain operating ratios at approximately the present level.

Listen to this sentence from the Director of the Veterans' Administration:

I am firmly convinced that the only alternative I will have, in the event sufficient funds are not made available, is to close certain existing beds and to defer the opening of new beds rather than reduce the standards of medical care. I believe neither the Congress nor the veterans desire any reduction in the quality of care available to the sick or disabled veterans.

The addition of \$48,000,000 to the Budget estimate covers only personal service requirements in order to keep staffing standards for doctors, dentists, nurses, and attendants at the level we believe to be necessary. The hearings on the independent offices appropriation bill before the Senate committee presented a table which showed a comparison of funds for 1950 fiscal year with the amount available during the current year for medical, hospital, and domiciliary care. It will be noted that the bill as passed by the House provided, for 1950, 96.8 percent of the amount available for 1949, although the estimated bed capacity and patient load for 1950 will be 106.5 percent and 108.7 percent, respectively, of the 1949 fiscal year figures. With the additional \$48,000,000—

And they put in \$16,000,000—

the funds available for the 1950 fiscal year will be 105 percent of the 1949 funds or an increase of 5 percent in money to operate an increase of 6.5 percent in the average number of beds and an 8.7 percent increase in the estimated average number of patients.

Mr. President, I know the hour is late, I know the able Senator from Wyoming has done a herculean job, for which I commend him, and I know the Senate is tired; but I doubt very seriously whether we should be so tired as to end our action on this bill with the result, as stated to us by the Director of Veterans' Affairs, that the lack of provision of adequate funds will mean either an impairment in the standards of medical care in the veterans' hospitals or a curtailment in the number of beds which will be available to the veterans of this country.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. Has this evidence been submitted to the committee?

Mr. PEPPER. It was submitted to the committee by the Veterans' Administrator himself, and I have the page number of the record of the hearings where he testified.

But the committee has felt that it should follow the recommendations of the Bureau of the Budget; and the Bureau of the Budget cut down the appropriation to such an extent that the Veterans' Administration could not adequately staff the hospitals which have the new beds; I refer to the hospitals which are coming into construction this year.

So we have the spectacle of empty veterans' hospital beds, because after the beds are available, there are not enough doctors and technicians and nurses to provide the veterans with service according to the decent standards of medical care.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. WHERRY. I wish the distinguished Senator from Florida to know that I am not objecting to his motion to reconsider the amendment at this time. I merely say that if an argument is to be made, it will be perfectly agreeable to me to have this matter go over until tomorrow morning.

I wish the Senator to know that I, too, am in favor of giving proper treatment to the veterans, and I think we have done a good job with the Veterans' Administration.

But if there is any new evidence or anything else the Senator from Florida wishes to place before the Senate, I wish to have it submitted to the Senate. I desire to go on record in favor of having that done, because in this bill we are appropriating nearly \$850,000,000 for the care and treatment of veterans; but if that is not enough, and if there is any new evidence which should be considered, I will take just as much time as any other Senator will take in order to make sure that proper consideration is given. If, however, there is a desire to have a long discussion of this item, I think we should go over until tomorrow, and then see whether there is evidence to warrant the proposed increase of the appropriation.

Mr. PEPPER. Mr. President, it seems to me that the Senator from Wyoming could take to conference this item which the Veterans' Administration has requested of his committee; and then, as between the failure of the House of Representatives to allow any of the requested \$48,000,000 and an appropriation of \$48,000,000 which would be voted by the Senate in this case, at least the conferees could reconcile the difference and could come to a fairer allowance than the allowance the House has made.

Of course if an item of \$16,000,000 is taken to conference, half of that will have to be sacrificed in connection with the conference, whereas the Director of the Veterans' Administration says the full \$48,000,000 is needed. I am not willing to have the Senate compromise in regard to the care of the veterans without at least letting the Senate know what it is doing.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. Of course, the Senator from Florida recalls the extensive hearings which were held in regard to the construction of veterans' hospitals, and I am sure he recalls that the Bureau of the Budget, as a result of executive order, directed that a reduction of 16,000 beds be made in the number previously undertaken to be provided for veterans. That directive was given on the ground that those beds could not be properly staffed or serviced. Is not that correct?

Mr. PEPPER. That is correct.

Mr. HUMPHREY. Yet was it not the testimony before the committee, from every witness who testified there, that if no new hospital beds are to be provided, because of the elimination of the 16,000 beds, at least it is absolutely essential that every bed now available be adequately staffed, so as to provide adequate medical care? Is not that correct?

Mr. PEPPER. That is correct.

Mr. President, we have built the hospitals. Yet this very afternoon, when I talked to Dr. Magnuson on the telephone and asked him whether the facts set forth in the letter from General Gray are correct, Dr. Magnuson told me that he could not adequately staff the beds.

Mr. President, is that economy? We have spent the money required for the building of the hospitals and to make the beds available. Yet the splendid doctor who is in charge of that branch of the Veterans' Administration tells us that we have not provided sufficient money to permit the staffing of the beds we have made available.

Mr. MAYBANK. Mr. President, I wish the Record to show that in South Carolina the situation is that there is only one bed for every 332 veterans, as compared to a national average, under the revised program, of one bed for every 129 veterans. I ask unanimous consent to have printed in the Record a statement regarding the situation in South Carolina. This statement was presented at the hearings, in connection with remarks of the Senator from Florida, the Senator from Minnesota, and other members of the committee.

I do not know what the answer is, but it appears to me that in some sections of the country too much hospitalization is provided, whereas in many other sections of the country insufficient hospitalization for veterans is provided, and that there has been discrimination against certain States and certain veterans.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter referred to was ordered to be printed in the Record, as follows:

SOUTH CAROLINA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 201,000
VA authorized standard beds..... 606

	State	National
Veterans per bed:		
Jan. 5, 1949.....	332	178
Original construction and expansion program.....	200	117
Revised construction and expansion program.....	332	129

Hospitals eliminated

Location	Type	Beds
Greenville.....	GM.....	200
Columbia.....	GM.....	1,200

¹ Columbia, addition.

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Greenville.....	200 GM.....	\$303,000
Columbia (addition).....	200 GM.....	19,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Columbia.....	GMS.....	700

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Navy.....	100
Civil and State.....	273
Combined total.....	373

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	9,129
Hospitalization in State.....	7,205
Hospitalized in other States.....	1,924
Veterans discharged outside State.....	1,925

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total.....	1,278	971	711	652
Columbia, VA hospital.....	612	497	466	451
Fort Jackson, regional office.....	666	474		
Non-VA hospitals.....			245	201

Awaiting admission, Feb. 28, 1949

Columbia.....	98
Fort Jackson, regional office.....	

Veterans awaiting admission to hospitals, Feb. 28, 1949—area (Atlanta): South Carolina

Length of waiting period:	
1 to 60 days.....	714
61 to 120 days.....	168
121 to 180 days.....	61
Over 180 days.....	65

Total awaiting..... 1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Columbia.....	GMS.....	40	13	121	0	4	0	700

Staff required for hospital eliminated

	Columbia	Greenville
Number of doctors.....	16	16
Number of nurses.....	48	48
Number of dentists.....	1	1
Number of technicians.....	18	18

Comments regarding staffing of hospitals—eliminated

Greenville, GM: Can be very readily staffed.
Columbia, GM: Can be very readily staffed.

*Comments
South Carolina*

The Veterans' Administration estimates South Carolina to have a veterans population of 201,000. With this large veterans population the State has only one hospital. A 700-bed general medical and surgical hospital at Columbia. As a result as of January 5, 1949, this State had only 1 bed for every 332 veterans as compared to a national average of 1 bed to every 178 veterans. The original construction and expansion program contemplated a 200-bed addition to the present hospital at Columbia and new construction of a 200-bed general medical and surgical hospital at Greenville. This would have raised the available beds for veterans in South Carolina of from 1 bed for every 200 veterans as compared to 1 bed to every 117 veterans as the national average on the original construction program and this would be a little over half of the national average. Under the revised construction program both the addition at Columbia and the new hospital at Greenville are scheduled for elimination. It again brings South Carolina back to 1 available bed for every 332 veterans as compared to a national average of 1 bed for every 129 veterans on the national revised construction program.

The 700-bed hospital at Columbia is required to take patients for a big area in both North and South Carolina as well as to provide hospital facilities for adjoining areas. It is estimated therefore that the total veteran population to be served by the proposed expanded hospital at Columbia and the new hospital at Greenville would be too heavy, roughly 375,000 veterans.

The hospital at Columbia has a standard bed capacity of 606 beds but is operating with an authorized capacity of 700. Because of this and its limited facilities in caring for this large number surgery is being done at practically all hours of the day. It has been reported that this hospital has been operating with a waiting list which officially ran from 100 to 150 per day. The Veterans' Administration reports that the Navy has available 100 beds for veterans in South Carolina. In addition, the Oliver General Hospital (Army) in Augusta, Ga., furnishes an additional amount. It was estimated that South Carolina was using an available 200 beds a day in these two service hospitals in South Carolina and Georgia that, "I can tell you as Governor of the State that we have more than 300, nearer 400 veterans in civilian hospitals occupying beds there who cannot get in a veterans' hospital." He reports that a great many veterans have not even applied and has personal knowledge of some who understood there was a long waiting list and were delaying their applications until there was an opportunity to be admitted. He also stressed that his State had less than one-half of the national average of beds available for its veterans as the Veterans' Administration had nationally.

The testimony clearly indicates that there is no problem in staffing these hospitals and this is borne out by official reports by the Veterans' Administration. As of December 31, 1948, the plans and specifications for the Greenville project were listed by the Veterans' Administration as being 100 percent complete.

Mr. MAYBANK. Mr. President, let me say that since 1944 we have been informed that a hospital for veterans would be built in South Carolina or that some other assistance would be given the veterans in South Carolina. However, nothing of the sort has been done. The

money for that purpose was appropriated for the Veterans' Administration under General Hines, and of course later another general was in charge of the Veterans' Administration, and subsequently another general was in charge of it. However, nothing of that sort has been done.

Mr. PEPPER. Mr. President, I remember very well the statement which was made at the hearing, showing a very grave need for additional veterans' hospital facilities in South Carolina.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. O'MAHONEY. Mr. President, I rise merely to suggest to the Senator from Florida that immediate action upon this matter is not required, and the original suggestion which I made to him that it should be brought up under a deficiency bill is sound. I will show the Senator why I think so. I have in my hand a letter which I have already put in the RECORD earlier in the day, from the Administrator, General Gray, to the chairman of the full committee, the Senator from Tennessee [Mr. McKELLAR]. I read these two paragraphs, in connection with the increase of \$16,000,000 which we have already granted:

The increase requested herein will permit the Veterans' Administration to retain employees now experienced and qualified for hospital and medical care and will permit the transfer of such experienced workers from existing hospitals to new hospitals as they are opened. Thus a reduction of staff in the medical-care program will be avoided and later recruitment and training of new employees to staff the additional new beds as they become available will be unnecessary.

I am convinced that greater efficiency of operation can be secured by this method and certainly employee morale and maintenance of the standards of medical care can be retained at a high level.

It is my contention, I may say to the Senator, that if this is done in accordance with what the Senator has already approved, which I feel confident will be approved in the conference, there will then be ample opportunity on a deficiency bill, when the need arises, for the Senator to advance in his own inimitable and eloquent manner the considerations which he is laying before us now.

Mr. PEPPER. Mr. President, since about 10,000 new beds are to come into construction during this fiscal year, I am glad to have the friendly interest of the able Senator from Wyoming in the proposal to add personnel as the need becomes manifest. In view of the assurances I have had from the chairman of the subcommittee, that an effort to increase this appropriation will receive sympathetic consideration hereafter in a deficiency appropriation, I shall withdraw my motion to reconsider at the present time.

Mr. O'MAHONEY. I may say to the Senator I was personally very deeply interested in this matter, and I made arrangements for employees of veterans' facilities to come to Washington and testify at the Appropriation Committee hearings. I discussed this matter not only with the Veterans' Administration but also with the Bureau of the Budget,

and I think the additional \$16,000,000 which the Budget Bureau has approved will be provided.

Mr. PEPPER. Very well. Mr. President, just one more word. The Senate continued the authorization of \$237,000,000 for the construction of veterans' hospitals. I see Senators on the floor who testified before our committee in aid of the construction of the new hospitals, which have been built, but which were curtailed by Executive order and by the Veterans' Administration to the extent of 16,000 veterans' hospital beds. The House of Representatives renewed the contract authorization of \$237,000,000 net, which had previously been rescinded, which would authorize the restoration of the 16,000 beds which were estimated by Executive order and by the action of the Administrator of the Veterans' Administration.

The House committee, in its report, specified that it was left up to the President to build these facilities with 16,000 beds or such number of them as he felt were needed. Some of us felt that the Senate should have incorporated along with this appropriation a directive to the President to build the hospitals, because it was felt they were needed.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. PEPPER. I shall yield in a moment, if the Senator will allow me to complete this statement. The committee recognized it would be legislation on an appropriation bill and therefore subject to a point of order. We have therefore not offered the amendment, which we once contemplated offering. Since we are continuing the authorization to the executive department to build the hospitals, 24 in number, and to provide 16,000 beds altogether, I think it is well for the RECORD to show the sentiment of those Senators who feel that the Senate should go ahead with this construction program.

Mr. DONNELL. Mr. President, will the Senator yield for an inquiry?

Mr. PEPPER. I yield.

Mr. DONNELL. I inquire whether the plan now contemplates a reduction with reference to the St. Louis hospital from 1,000 beds to 500?

Mr. PEPPER. As I recall, it does.

Mr. DONNELL. I further inquire whether a reduction is contemplated in the original plan as to the number of general medical and surgical beds at Kansas City?

Mr. PEPPER. I understand that to be so.

Mr. DONNELL. I may say to the Senator, in connection with St. Louis, we have a rather interesting and peculiar situation there. As the Senator doubtless recalls, we have the Jefferson Barracks Hospital, which today, or at any rate at the time of the testimony, and according to the information I have now accommodated 676 persons; that is to say, it had 676 beds. It was proposed that the St. Louis Hospital, to be constructed in St. Louis, should have 1,000 beds. Under the plan by which the St. Louis hospital is reduced from 1,000 beds to 500, and by which the Jefferson Barracks Hospital is to be converted from a

general medical and surgical hospital to a neuropsychiatric hospital, we will lose 676 beds on the one hand at Jefferson Barracks Hospital, and we will gain only 500 beds in the St. Louis Hospital. Therefore, under the plan which I understand is now contemplated, we will actually lose 176 beds for general medical and surgical purposes in St. Louis.

I am not certain as to whether the change-over at Kansas City means an alteration from 495 general medical and surgical beds and 250 tuberculosis beds, a total of 745. I am not certain, I say, whether the plan contemplates 500 tuberculosis beds, and a reduction to no general medical and surgical beds, but it is my impression that a cut is planned. I ask the Senator from Florida whether a reduction of some kind is planned at Kansas City?

Mr. PEPPER. It is. That is my recollection.

Mr. DONNELL. Mr. President, I am very glad indeed the Senator has called attention to these facts on the floor of the Senate, and while I should like, if the hour were not so late, to emphasize a little more fully the situation that exists both in St. Louis and in Kansas City, as a Senator from Missouri and knowing something, at any rate, particularly of the situation in my own home section immediately around St. Louis, and something, generally speaking, from the testimony with respect to Kansas City, I want to put myself on record very decidedly as being in hope that the St. Louis hospital may have the 1,000 beds instead of 500, and that there shall be no reduction from the original plan in Kansas City. I thank the Senator.

Mr. PEPPER. I thank the Senator for his statement.

The VICE PRESIDENT. Does the Chair correctly understand that the Senator from Florida withdraws his motion to reconsider?

Mr. PEPPER. In view of the assurances I have had from the chairman of the subcommittee, the Senator from Wyoming (Mr. O'MAHONEY), that an effort to increase this appropriation will receive sympathetic consideration hereafter in a deficiency bill, I withdraw my motion.

Mr. MYERS. Mr. President, I desire to associate myself with the views expressed by the Senator from Florida and other Senators, because I believe that, particularly in Pennsylvania, we have been discriminated against. With a veteran population, as shown by the committee report, greater than that of any other State except New York, we have lost a total of 1,400 beds in the curtailment program. In fact, while the national average is 178 veterans per bed, we have in Pennsylvania an average of 347. With the revised construction program, which would have helped us to some extent, we would still be far behind the national average. Because of the revised program, we have in Pennsylvania an average of 183, while the national average is 129.

I think the committee sets forth in its report the situation with regard to

Pennsylvania as admirably and as well as could be expressed by anyone, and therefore I ask unanimous consent that there may be printed at this point in the RECORD the Pennsylvania summary together with the comments of the subcommittee of the Senate Committee on Labor and Public Welfare, appearing on pages 62 to 65 of the committee report.

The VICE PRESIDENT. Is there objection?

There being no objection, the summary and comments were ordered to be printed in the RECORD, as follows:

PENNSYLVANIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949.....	1,426,000
VA authorized standard beds.....	4,108

	State	National
Veterans per bed:		
Jan. 5, 1949.....	347	178
Original construction and expansion program.....	155	117
Revised construction and expansion program.....	183	129

Hospitals eliminated

Location.....	Harrisburg.
Type.....	GM.
Beds.....	200.

Estimated obligation incurred by Government, hospital eliminated

Location.....	Harrisburg.
Type.....	200 GM.
Amount.....	\$347,000.

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Philadelphia.....	GM.....	1,000	500
Pittsburgh.....	NP.....	1,200	750
Do.....	GM.....	1,250	1,000

Estimated obligation incurred by Government, hospital altered

Location	Type	Amount
Philadelphia.....	500 GM.....	\$249,000
Pittsburgh.....	1,000 NP.....	106,000
Do.....	750 GM.....	186,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Coatesville.....	NP.....	2,119
Lebanon.....	NP.....	501
Aspinwall.....	GMS.....	943
Butler.....	GMS.....	984
Total.....		4,547

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army.....	175
Navy.....	620
Marine.....	20
Total.....	815
Civil and State.....	855
Combined total.....	1,170

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	26,467
Hospitalized in State.....	22,838
Hospitalized in other States.....	3,629
Veterans discharged outside State.....	3,631

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	De- clared eligible	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	4,509	3,153	2,366	1,836
Coatesville, VA hospital.....	40	110	38	24
Lebanon, VA hospital.....	70	242	171	150
Aspinwall, VA hospital.....	575	743	703	584
Butler, VA hospital.....	133	299	309	227
Philadelphia, regional office.....	318	294		
Pittsburgh, regional office.....	780	523		
Wilkes-Barre, regional office.....	432	171		
Philadelphia Naval Hospital.....	2,161	771		
Non-VA hospitals.....			1,137	862

Awaiting admission, Feb. 28, 1949

Aspinwall.....	364
Butler.....	311
Coatesville.....	834
Lebanon.....	115
Philadelphia, regional office.....	
Pittsburgh, regional office.....	4
Wilkes-Barre, regional office.....	
Grand total.....	1,628

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Philadelphia): Pennsylvania

Length of waiting period:	
1 to 60 days.....	712
61 to 120 days.....	355
121 to 180 days.....	228
Over 180 days.....	855
Total awaiting.....	2,150

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Coatesville.....	NP.....	51	38	108	0	4	0	2,119
Lebanon.....	NP.....	21	0	64	0	2	0	444
Aspinwall.....	GMS.....	77	49	198	5	4	2	943
Butler.....	GMS.....	26	0	146	0	4	0	984
Total.....		175	87	616	5	14	2	4,470

Staff required for hospital eliminated

Harrisburg:	
Number of doctors.....	16
Number of nurses.....	48
Number of dentists.....	1
Number of technicians.....	18

Additional staff required for hospitals altered in size

	Philadel- phia	Pitts- burgh (GMS)	Pitts- burgh (NP)
Number of doctors.....	27	24	8
Number of nurses.....	97	85	19
Number of dentists.....	3	3	1
Number of technicians.....	46	33	11

Comments regarding staffing of hospitals

Altered in size: Philadelphia (GM), Pittsburgh (GM), Pittsburgh (NP): These three hospitals which have been altered in size are located in communities where there are medical schools and no difficulty in staffing.
Eliminated: Harrisburg (GM): Moderately difficult to staff.

Comments Pennsylvania

The Veterans' Administration estimated a veteran population for this State of 1,426,000. A number of witnesses testified to the fact that Pennsylvania, with a larger veteran

population than any other State but New York, had been discriminated against over the years by having assigned to it less bed capacity than the States of New York, Illinois, California, Massachusetts, and Ohio. The new construction program was designed to some extent to correct this disparity. As of January 5, 1949, Pennsylvania had only 1 bed for each of the 347 veterans as compared to a national average of 178. The revised construction program would contemplate 1 bed for every 183 veterans as compared to a national average of 129. Witnesses further brought out that the cut in bed construction now recommended for the State of Pennsylvania is disastrously out of line with the national average and, worse still, when compared with other large cities. Out of the total original bed allocation for new construction of 4,450 beds allocated to Pennsylvania, 1,400 beds are scheduled to be eliminated, or more than one-third of the total originally scheduled for the State. Likewise, it was brought out that a careful perusal of the records will indicate that Pennsylvania is again being penalized 9 percent of the total number of beds curtailed nationally. Extensive waiting lists are reported in all types of cases, i. e., the general medical and surgical, the neuropsychiatric, and the tubercular groups in the proposed construction of the general medical and surgical beds as certain tubercular facilities are to be provided.

It was reported by contact with the Veterans' Administration officials, the Commonwealth department of health as well as the Pennsylvania League that from 3,000 to 5,000 cases of veterans suffering from active tuberculosis were remaining home with their families due to lack of Veterans' Administration or local beds. The number of veterans now confined in State, municipal, and county mental institutions showed a total of 1,190 with over 300 tubercular cases in these institutions. Approximately 400 veterans of the neuropsychiatric description are now being held by State, civil, and police authorities because of the nonavailability of beds in either of the Veterans' Administration or local neuropsychiatric institutions. Because of lack of proper facilities in Pennsylvania for the care of all types of cases of tuberculosis, neuropsychiatric, and general medical and surgical cases, it is necessary to hospitalize many of these cases in other States, thereby creating a longer distance of travel for the patient in addition to causing undue hardship and inconvenience to the families wanting to visit their loved ones.

The hospitals involved in the revised construction program consist of a reduction of the general medical hospital at Philadelphia from 1,000 to 500; a general medical and surgical hospital at Pittsburgh from 1,250 to 1,000, and a neuropsychiatric hospital at Pittsburgh from 1,200 to 750. In addition, a general medical and surgical hospital at Harrisburg of a 200-bed capacity is scheduled for elimination. It is noted therefore that the largest reduction of beds—1,200, is contemplated in Philadelphia and Pittsburgh, 500 and 700, respectively—the two largest cities in Pennsylvania. Testimony revealed that there are five medical centers, medical colleges in the city of Philadelphia alone, and in addition in Pittsburgh there are two of the greatest medical centers in the world. Also, there is now under construction in Pittsburgh as a result of a grant from the Mellon Estate, a graduate school of medicine, which is scheduled to be one of the few graduate schools of medicine in this country. In addition, it is brought out that as regards the hospital at Harrisburg scheduled for elimination that there are approximately 2,000 physicians in that neighborhood and that there would be no difficulty in staffing that hospital. There are two class A dental schools in Pennsylvania. Due to the great medical centers in Phila-

delphia and Pittsburgh there has been no difficulty in recruiting all types of medical and other types of personnel and the Veterans' Administration has stated that in regard to the staffing of the hospitals reduced in size, i. e., the general medical and surgical hospitals at Philadelphia and Pittsburgh and the neuropsychiatric hospital at Pittsburgh that "the above hospitals are located in communities where there are medical schools and there would be no difficulty in staffing these beds." As regards staffing the hospital at Harrisburg it would be "moderately difficult" to staff. As of December 31, 1948, the plans for the Harrisburg hospital were stated by the Veterans' Administration to be 95 percent complete, the Pittsburgh general medical and surgical hospital 100 percent complete, the Pittsburgh neuropsychiatric hospital 78 percent complete, and the Philadelphia, Pa., general medical and surgical hospital 73 percent complete.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. I should merely like to call to the attention of Senators, in connection with the State-by-State analysis of subcommittee hearings, to which the Senator from Florida has referred in his remarks, that this is an example of, and may serve to correct, what one may call the miscalculation of the Bureau of the Budget. The Bureau is not infallible, it is not sacrosanct, and the record of the subcommittee as shown in this general report of the subcommittee investigating the hospital construction program of the Veterans' Administration shows without the shadow of a doubt that from every single State where there was a curtailment of the program there was without exception a witness, and every witness testified as to the dire need of this program. South Carolina was mentioned a while ago. There are over 200,000 veterans in that State, with just one Veterans' Administration hospital; that is all—just one hospital. Every one of the States had a waiting list that went far beyond any of the estimates submitted by the Veterans' Administration or by the Bureau of the Budget.

I think, when doctors appeared before the committee from the Veterans' Administration and frankly admitted that there was need for these hospital units and they were worried about being able to staff them, I should reemphasize for the record, and I feel it is my responsibility as a member of the committee to do so, that the Veterans' Administration said that the one thing we must have is complete medical care for every available hospital which is constructed at this time. Since we are not going to build the 16,000 beds, we must be completely sure that there is to be no denial of the technicians, doctors, and nurses who are so desperately needed.

Mr. President, I commend the reading of this pamphlet to every Senator, because the problem will plague us next year. With 16 or 18 States cut out, we shall be faced with the problem for years to come. The veterans are getting older and will become more disabled, and there will be greater necessity for hospital beds than ever before.

Mr. PEPPER. Mr. President, I see among the distinguished Senators who appeared before the committee, the dis-

tinguished senior Senator from Tennessee, chairman of the Senate Appropriations Committee, the Senator from Ohio [Mr. TAFT], the Senator from Michigan [Mr. FERGUSON] and other Senators who made strong statements for the record as to the need for facilities. Since all Senators are not at this late hour present, let me say that our subcommittee prepared a short summary of testimony given before the subcommittee for each State.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator can yield only for a question. The Chair must enforce the rule.

Mr. PEPPER. Mr. President, I ask unanimous consent to have placed in the body of the RECORD, following my remarks, the summary for the remainder of the States.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

[Excerpts from summary and analysis by Subcommittee of Senate Committee on Labor and Public Welfare of hearings on proposed curtailment of veterans' hospital construction program, 81st Cong., 1st sess.]

II. STATE-BY-STATE ANALYSIS OF SUBCOMMITTEE HEARINGS

CALIFORNIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 1,346,000
VA authorized standard beds..... 7,924

	State	National
Veterans per bed:		
Jan. 5, 1949.....	170	178
Original construction and expansion program.....	127	117
Revised construction and expansion program.....	129	129

Hospital eliminated

Location..... San Diego.
Type..... GM.
Beds..... 200.

Estimated obligation incurred by Government, hospital eliminated

Location..... San Diego.
Type..... GM.
Amount..... \$129,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Livermore.....	TB.....	458
San Fernando.....	TB.....	378
Palo Alto.....	NP.....	1,464
Los Angeles:		
GMS unit.....	GMS.....	1,440
NP unit.....	NP.....	2,149
Oakland.....	GMS.....	800
San Francisco.....	GMS.....	440
Van Nuys.....	GMS.....	1,509
Total.....		8,633

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—other Government

Army..... 175
Navy..... 1,375
Marine..... 50

Total..... 1,600
Civil and State..... 132

Combined total..... 1,732

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized..... 48,181
Hospitalization in State..... 46,706
Hospitalized in other States..... 1,475
Veterans discharged outside State..... 1,506

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	De- clared eligi- ble	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	9,572	5,811	5,400	4,720
Livermore, VA hospital.....	16	44	31	57
San Fernando, VA hos- pital.....	14	51	40	38
Palo Alto, VA hospital.....	61	104	60	70
Los Angeles, VA hospital.....	1,960	987	1,264	1,153
Oakland, VA hospital.....	1,066	561	633	568
San Francisco, VA hospital.....	442	338	382	333
Van Nuys, VA hospital.....	1,459	945	939	880
Los Angeles, regional office.....	2,498	1,639	-----	-----
San Diego, regional office.....	521	380	-----	-----
San Francisco, regional office.....	1,535	762	-----	-----
Non-VA hospitals.....	-----	-----	2,051	1,621

Awaiting admission, Feb. 28, 1949

Livermore.....	33
Los Angeles.....	357
Oakland.....	72
Palo Alto.....	813
San Fernando.....	76
San Francisco.....	-----
Van Nuys.....	62
Los Angeles, regional office.....	42
San Diego, regional office.....	-----
San Francisco, regional office.....	-----
Grand total.....	955

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (San Francisco): California

Length of waiting period:	
1 to 60 days.....	442
61 to 120 days.....	229
121 to 180 days.....	115
Over 180 days.....	360

Total awaiting..... 1,146

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Livermore.....	TB.....	14	1	62	0	2	0	458
San Fernando.....	TB.....	19	5	69	0	2	0	365
Palo Alto.....	NP.....	29	46	76	0	4	0	1,464
Los Angeles.....	GMS.....	76	144	389	9	2	0	3,463
Oakland.....	GMS.....	47	8	139	0	0	0	712
San Francisco.....	GMS.....	10	84	95	0	2	0	374
Van Nuys.....	GMS.....	53	115	325	5	6	0	1,437
Total.....		248	403	1,155	14	25	0	8,273

Staff required for hospital eliminated

San Diego:	
Number of doctors.....	16
Number of nurses.....	48
Number of dentists.....	1
Number of technicians.....	18

Comments regarding staffing of hospital.

San Diego, GM: No difficulty in staffing.

Comments

San Diego

Statistics prepared by the University of California and the State Department of Veterans' Affairs showed 350,000 World War II veterans from out of State had taken residence in California since VJ-day. Conservative estimates show veteran population of California now to be 1,700,000.

Veteran population in this State shows higher percentage of disabled veterans than the national average; also the highest percentage of total and permanent disabled veterans, i. e., 12.63 percent of Nation's total.

In the need for general medical and surgical beds emphasis was placed on the fact that this State had one of the highest number of

bed contracts authorized with other Government (military and Public Health) hospitals than any State in the Union (1,700 beds) or 33 percent of such bed utilization by the VA nationally. Testimony was also offered to the effect that some military hospitals in that State were now being closed, others were scheduled for closing with consolidation of military beds in the remaining hospital, thereby causing a present and eventual shortage of such available military beds for veterans' use.

The estimated veteran population of San Diego County was given as 160,000. The nearest VA hospital (Los Angeles) is 175 miles distant. The number of VA patients hospitalized in San Diego Naval Hospital on February 20, 1949, was 238, and exceeded the contract utilization for 200 beds in that hospital. The San Diego area contains a great number of retired military personnel, as well as many disabled veterans attracted there by reason of climatical and other considerations.

Site for this proposed hospital has been acquired; all the test borings had been made; the bids had been called for, and the lowest bidder had been announced a few days prior to the order canceling construction of the hospital.

DISTRICT OF COLUMBIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949.....	137,000
VA authorized standard beds.....	335

	State	National
Veterans per bed:		
Jan. 5, 1949.....	409	178
Original construction and expansion program.....	126	117
Revised construction and expansion program.....	164	129

Projects altered in size from present plans

Location.....	Washington, D. C.
Type.....	GM.
Beds.....	From 750 to 500.

Estimated obligation incurred by Government—Hospital altered

Location.....	Washington, D. C.
Type.....	500 GM.
Amount.....	\$1,600,000.

Existing VA hospitals in State

Hospital.....	Mount Alto.
Type.....	GMS.
Authorized beds.....	335.

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army.....	50
St. Elizabeths.....	150
Total.....	200

Veterans hospitalized in VA and non-VA Hospitals, fiscal year 1948

Total hospitalized.....	6,360
Hospitalized in State.....	1,972
Hospitalized in other States.....	4,388
Veterans discharged outside State.....	4,389

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	De- clared eligi- ble	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	1,606	934	281	271
Washington, D. C., VA hospital.....	283	158	258	251
Washington, D. C., regional office.....	1,323	776	-----	-----
Non-VA hospitals.....	-----	-----	23	20

Awaiting admission, Feb. 28, 1949

Mount Alto.....	214
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Veterans awaiting admission to hospitals, Feb. 28, 1949—area (Richmond): District of Columbia

Length of waiting period:	
1 to 60 days.....	592
61 to 120 days.....	243
121 to 180 days.....	188
Over 180 days.....	259

Total awaiting..... 1,282

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
District of Columbia.....	GMS.....	19	24	94	20	3	0	335

Staff required for hospital altered in size

Washington, D. C.:	
Number of doctors.....	15
Number of nurses.....	50
Number of dentists.....	1
Number of technicians.....	20

Comments regarding staffing of hospital, altered in size

Washington, D. C., GM. Located in community where there are medical schools; no difficulty in staffing.

Comments

District of Columbia

The District of Columbia, with an estimated veteran population of 137,000 as of January 5, 1949, had only 335 Veterans' Administration beds available, so that in the District of Columbia there was only 1 veteran bed available to every 409 veterans residing here, as compared to a national average as of that date, January 5, 1949, of 1 bed per 178 veterans. In the original construction and expansion program it was contemplated to erect a 750-bed general medical and surgical hospital in the Washington, D. C., area. This would have brought the ratio of veterans per bed to 1 bed per 126 veterans, which would have been very close to the national average of 1 bed per 117 veterans under this original construction program. It is now contemplated under a revised program to reduce this new general medical and surgical hospital in this area from 750 to 500 beds. If this alteration in size is carried through it will leave the District of Columbia with 1 bed per 164 veterans, as compared to a national average of 1 bed per 129 veterans.

The District of Columbia has a veteran population in the metropolitan area considerably larger than many States. The District of Columbia so far as veteranism is concerned, is rather peculiarly situated in that many veterans from all over the country come to Washington to see about their claims, and many of these ill men become so ill while they are in Washington that it is necessary to hospitalize them in veterans' beds here. Likewise, because of this geographic location and because of shortage of veterans' beds in the adjoining States of Maryland and Virginia, the present 335-bed general medical and surgical hospital at Mount Alto, Washington, D. C., carries a large patient load from Maryland and Virginia, so that only about half its capacity is for District patients. The same would be true in the new construction planned for Washington, D. C. Also, the present veterans' hospital at Mount Alto, Washington, D. C., contains one of the three Veterans' Administration diagnostic centers, and many veterans from the eastern territory of the

United States are hospitalized there because of special diagnostic studies necessary because of difficulty arising out of the proper adjudication of their claims.

For many years there have been large waiting lists of seriously ill District patients awaiting hospitalization. Frequently it is impossible to get even an emergency case admitted. Many District veterans have had to be hospitalized in veterans' hospitals in distant States because of this shortage of hospital beds for all types of cases. This is particularly true of the mental cases. The proposed 750-bed new construction in the Washington, D. C., area was planned to contain a neuropsychiatric unit which would help to relieve the urgent needs of hospitalizing acute medical emergencies in the mental field.

Most testimony was introduced showing that there is not a need for the full 750 beds. Assurance was given that this hospital could readily be staffed with a full-time staff of competent medical, nursing, and other personnel. These are readily available in every recognized specialty of medicine. This is confirmed by the Veterans' Administration which, when asked regarding their comments regarding the staffing of this hospital, have replied that the hospital is "located in a community where there are medical schools. No difficulty in staffing."

FLORIDA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 300,000
VA authorized standard beds..... 1,268

	State	National
Veterans per bed:		
Jan. 5, 1949.....	237	178
Original construction and expansion program.....	127	117
Revised construction and expansion program.....	237	129

Hospitals eliminated

Location	Type	Beds
Gainesville.....	NP.....	1,000
Tallahassee.....	GM.....	100

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Gainesville.....	1,000 NP.....	\$1,006,000
Tallahassee.....	100 GM.....	244,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Bay Pines.....	GMS.....	440
Coral Gables.....	GMS.....	450
Lake City.....	GMS.....	378
Total.....		1,268

Contracts with Army, Navy, Public Health Service and other Federal hospital beds for use of veterans—Other Government

Navy.....	185
Civil and State.....	20
Combined total.....	205

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	13,164
Hospitalized in State.....	11,277
Hospitalized in other States.....	1,887
Veterans discharged outside State.....	1,893

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	De- clared eligible	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	2,307	1,066	1,262	1,010
Bay Pines, VA hospital.....	515	239	294	233
Coral Gables, VA hospital.....	868	468	353	322
Lake City, VA hospital.....	306	175	256	190
Miami, regional office.....	152	8		
Pass-A-Grille, regional office.....	470	466		
Non-VA hospitals.....			359	265

Awaiting admission—Feb. 28, 1949

Bay Pines.....	67
Coral Gables.....	44
Lake City.....	80
Miami, regional office.....	9
Pass-A-Grille, regional office.....	3
Grand total.....	203

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Atlanta): Florida

Length of waiting period:	
1 to 60 days.....	714
61 to 120 days.....	163
121 to 180 days.....	61
Over 180 days.....	65
Total awaiting.....	1,003

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Bay Pines.....	GMS.....	24	1	94	0	4	0	430
Coral Gables.....	GMS.....	20	14	94	1	2	0	391
Lake City.....	GMS.....	20	1	64	0	2	0	363
Total.....		64	16	252	1	8	0	1,184

Staff required for hospital eliminated

	Gainesville	Tallahassee
Number of doctors.....	33	10
Number of nurses.....	81	26
Number of dentists.....	3	1
Number of technicians.....	56	18

Comments regarding staffing of hospitals

Gainesville, NP: Difficult to staff properly.
Tallahassee, GM: Moderately difficult to staff.

Comments

Florida

Testimony given revealed that the fact that Florida as a State occupied a very unique position. First of all, its population is stated to have grown from the census report of 1940 of 1,900,000 to an estimate now with the Census Bureau of 2,400,000. It was stated that the growth in veteran population has been greater and out of proportion to the general growth of the State, thereby producing an acute problem insofar as the hospital needs of veterans are concerned. It was further brought out that as a transient State Florida's population expands from 2,000,000 to 3,000,000 people during the winter and a conservative estimate that 20 percent of these are veterans would result in approximately 250,000 to 400,000 veterans residing in Florida every winter. It was further brought out that a large number of the veterans who migrate to Florida either seasonally or permanently do so because of climatic conditions. It was felt that inasmuch as the Veterans' Administration is a

Federal agency it follows that these veterans are as much a responsibility as a permanent resident of the State. Many of these sick veterans who come to Florida in order to recover from an illness or to alleviate chronic disabilities at times become so sick as to need veterans' hospital care often in emergency situations and get permanent hospitalization. As a result they tremendously overtax the present inadequate existing Veterans' Administration hospital facilities. The actual population statement with reference to Florida veterans in itself does not tell the story because of this added out-State load. Correspondence introduced from Veterans' Administrator, General Gray, states:

"I realize that the ratio of veterans' beds to population is somewhat lower in Florida than in some other States—however, we were faced with a directed reduction of 16,000 beds."

It was brought out that Florida also occupied a further unique position in the family of States due to the fact that it is a virtual appendage to their part of the North American Continent being situated in three sides and does not have available to it beds in neighboring States, except to the north. Because of this, Florida actually needs a greater number of beds per veteran capita than would be needed by most other States. It was brought out that veterans had to travel hundreds and well in excess of a thousand miles to obtain hospitalization outside of the State.

Relative to the elimination of the proposed 1,000 NP hospital at Gainesville, it was brought out that Florida had no veterans' hospital equipped to handle mental disorders. Because of this, it has been necessary to hospitalize Florida veterans with mental disorders outside of the State. As of March 14, 1949, 709 Florida veterans suffering from neuropsychiatric disorders were reported by the Veterans' Administration as being hospitalized in 7 neuropsychiatric hospitals in 5 States (Alabama, Georgia, Louisiana, Mississippi, and Tennessee). For the families of veterans to be able to visit them they had to frequently travel 1,500 miles with at least a 2-day trip. State's facilities were reported as inadequate. It was reported that Florida had only one State institution caring for mental cases. This hospital was reported to be built for 3,000 patients but at the present was carrying a load of 4,500 patients and still had a large waiting list of patients, veteran and nonveteran, awaiting admission. As a result, many emergency cases had to be committed to jails, although they were not criminals, for safekeeping.

At the present time, it was reported that 35 veterans were confined to jail awaiting admission to mental hospitals, 40 others certified as in need of hospitalization in a Veterans' Administration hospital, and 65 awaiting admission to a State mental hospital but not admitted because of lack of facilities, making a total of 140 Florida veterans now awaiting hospitalization for their mental disorders but unable to obtain same because of lack of facilities. The acuteness of the situation was attended to by a meeting of county judges of Florida on February 12, 1949, who, at that time, were on record as maintaining that the Congress and the Veterans' Administration provide hospital facilities in the State for mentally ill war veterans. It was reported that the jurists took this action after discussion with the chief attorney in Florida of the Veterans' Administration. One member of the congressional delegation from Florida testified that while he was acting as a county judge he had to keep veterans in jail from 3 to 6 weeks before he could get them into a veterans' hospital. Testimony was introduced showing veterans committing acts of violence and in one instance a news article, dated March 8, 1949, was mentioned wherein a mentally afflicted veteran unable to get

needed care fatally stabbed his wife. There was a unanimity of opinion of all witnesses appearing stressing the emergency need for adequate NP facilities for the State. It was reported that the proposed location of this neuropsychiatric hospital at Gainesville was in a location 68 miles from Jacksonville, Fla., a city of approximately 250,000 population, with certified specialists in every branch of medicine who would be available on a consultant basis and sufficient to set up a medical residency program. The two cities are connected by several high-speed highways, making the hospital readily accessible to visiting medical consulting specialists.

Testimony of a past president of the Florida State Medical Association indicated that the Governor of Florida had recommended that a medical school be established in Gainesville in connection with the University of Florida. He reported that a board, chief of which was president of the University of Louisiana Medical School, canvassed the entire State and recommended that a medical school be established in Florida and that it be located in Gainesville. This board was convened at the direction of the legislature and Governor of Florida, and worked with the State board of control. This witness further stated that the Alachua County Medical Society offered their services for all general medical and surgical patients admitted to such a hospital, if built. It was further brought out that the University of Florida, with approximately 10,000 students and an additional 1,500 or more staff, was located in Gainesville. The witness further reported that he had a personal commission from the president of the University of Florida offering the facilities of the university and the faculty to help in the operation of a veterans' hospital when established in Gainesville. Also that Gainesville was located in north central Florida and easily accessible to other parts of the State by good roads and two railroads.

A report from the parole commission from the State penitentiary, Ralford refers to the fact that 514 World War II veterans were committed to that prison in 1947, and 440 in 1948, and that on February 15, 1949, there were 1,395 World War II veterans in the State penitentiary. In their report the board expressed an opinion that a very large percentage of them were definitely affected by their war experiences and, in many instances, there was a direct connection. Continuing, the parole commission made the following statement:

"Certainly there is a great need for a Veterans' Administration neuropsychiatric hospital here in Florida, and I feel that a great many of the number listed above would not be in prison had they been in such a hospital where they belong."

Tallahassee, Fla.

This hospital was originally designed by the Veterans' Administration to contain 200 general medical and surgical beds. Subsequently, it was reduced to 100 beds with the other 100 beds being assigned to Thomasville, Ga., approximately 30 miles away.

There is no Veterans' Administration hospital to serve a 550,000 population within a 100-mile radius of Tallahassee. This city is centrally located in northern Florida, 211 miles from Pensacola; 175 miles to Jacksonville. It is stated that there are eight main highways leading into the area. The Florida State University is located in Tallahassee and it was testified to, that the president of that university has been very cooperative with the city in the construction of their hospital. Construction of a nursing school in connection with the hospital and the Florida State University is contemplated and the president of the Florida State University has stated that his faculty would be available for the Veterans' Administration hospital as well as the local city hospital. Testimony was introduced from the president of the

Leon County Medical Society stating that there is adequate medical personnel locally to staff a 100-bed veteran hospital and assurance was given that the members of that society would cooperate with such project.

It was brought out that on January 12, 1949, the veterans' hospital in Miami (Coral Gables) had 100 approved applications for hospitalization pending and because of lack of beds these applications had to be referred to the Veterans' Administration hospital at Memphis, Tenn., due to the fact that there was no opportunity for hospitalization for these general medical and surgical cases in Florida in the very near future. It was also brought out that the Veterans' Administration in 57 of the 67 counties in Florida during the last 20 months had spent well over \$300,000 to pay for hospitalization of veterans in private, State, and municipal hospitals. The theory was advanced that this money could very well have been spent in the building of adequate general medical facilities of the Veterans' Administration in Florida. It was expected that this expenditure will increase in the years to come unless adequate beds were provided. If this is done, the States and cities could then take care of their own citizens who frequently lack adequate beds.

It was brought out that on January 15, 1946, after this site was selected by the Veterans' Administration, the then mayor of Tallahassee assured the Veterans' Administration that the city would comply with their requirements regarding water lines, electric facilities, expansion of sewage and disposal systems, and necessary paving. The city acting in good faith spent \$21,000 on the extension of water mains to the area and \$15,000 in electric installations with additional service lines to the area. In addition, necessary paving improvement cost approximately \$6,000 in all. It was testified to that the city spent, in direct charges on this project, the amount of \$42,800 and indirectly paid \$50,000 and \$60,000, it being testified that the water line leading to the area cost alone over \$25,000. That was primarily built for the feeding of the hospital area. In addition, the county has learned of a contract for \$15,000 for paving the streets on the north boundary of the area in which work was expected to be completed within the month.

GEORGIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 341,000
VA authorized standard beds..... 2,381

	State	National
Veterans per bed:		
Jan. 5, 1949.....	143	178
Original construction and expansion program.....	82	117
Revised construction and expansion program.....	95	129

Hospitals eliminated

Location	Type	Beds
Americus.....	TB.....	250
Thomasville.....	GM.....	100

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
Americus.....	250 TB.....	\$331,000
Thomasville.....	100 GM.....	0

Projects altered in size from present plans

Location..... Atlanta.
Type..... GM.
Beds..... From 750 to 500.

Estimated obligation incurred by Government, hospital altered

Location..... Atlanta.
Type..... 500 GM.
Amount..... Proposed donation.

Existing VA hospitals in State

Hospita	Type	Authorized beds
Atlanta.....	TB.....	225
Augusta.....	NP.....	1,330
Chamblee.....	GMS.....	750
Dublin.....	do.....	200
Total.....		2,505

Contracts with Army, Navy, Public Health Service and other Federal hospital beds for use of veterans—other Government

Army.....	175
Marine.....	50
Total.....	225
Civil and State.....	270
Combined total.....	495

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	14,377
Hospitalization in State.....	11,386
Hospitalized in other States.....	2,991
Veterans discharged outside State.....	2,992

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	De- clared eligi- ble	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	2,414	1,235	1,324	1,150
Atlanta, VA hospital.....	15	21	40	23
Augusta, VA hospital.....	208	122	124	110
Chamblee, VA hospital.....	689	494	553	547
Dublin, VA hospital.....	179	195	177	165
Atlanta, regional office.....	1,323	403		
Non-VA hospitals.....			400	305

Awaiting admission, Feb. 28, 1949

Atlanta.....	95
Augusta.....	89
Chamblee.....	
Dublin.....	
Atlanta, regional office.....	
Grand total.....	184

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area: Atlanta Ga.

Length of waiting period:	
1 to 60 days.....	714
61 to 120 days.....	168
121 to 180 days.....	61
Over 180 days.....	65
Total awaiting.....	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Atlanta.....	TB.....	11	0	42	0	2	0	225
Augusta.....	NP.....	20	15	81	0	3	0	1,330
Chamblee.....	GMS.....	17	50	127	2	5	0	607
Dublin.....	GMS.....	9	0	38	0	2	0	200
Total.....		57	65	288	2	12	0	2,362

Staff required for hospitals eliminated

	Americus	Thomasville
Number of doctors.....	15	10
Number of nurses.....	44	26
Number of dentists.....	1	1
Number of technicians.....	20	18

Additional staff required for hospital altered in size

Atlanta:	
Number of doctors.....	15
Number of nurses.....	50
Number of dentists.....	1
Number of technicians.....	20

Comments regarding staffing of hospitals

Atlanta, GM: Altered in size; located in community where there are medical schools, no difficulty in staffing.
 Americus, TB: Eliminated; difficult to staff properly.
 Thomasville, GM: Eliminated; difficult to staff properly.

Comments

Americus, Ga.

This 250-bed tuberculosis hospital has been eliminated. Testimony from individuals representing Georgia and the surrounding State, in fact, Nation-wide, testified to the general shortage of tuberculosis beds. It was brought out that there was a very definite need for a tuberculosis hospital not only to serve Georgia but to serve Florida and Alabama and a section of Mississippi. Facilities for treating tubercular veterans in this area are at Memphis, Tenn., and Oteen, N. C., and a recent conversion of a veterans' hospital at Atlanta, Ga. It has an authorized bed capacity of 225 beds. As of December 31, 1948, there was a waiting list in this veterans' hospital at Atlanta of 108 tuberculosis cases, 87 of those had been on the waiting list for more than 40 days. The Veterans' Administration, after an exhaustive survey and study of Georgia, Florida, and Alabama, determined that a tuberculosis hospital was needed, and after considering some 42 sites, selection was made at Americus.

Americus is located 140 miles south of Atlanta and is centrally located to serve the southeastern area. After this site had been selected the city of Americus, at the request of the United States engineers, provided certain facilities which so far has cost the city government and the people of this community approximately \$65,000. A 25-acre tract was bought and paid for and deeded to the United States Government. The city then ran special sanitary sewers and enlarged the water mains and the fire department and proceeded with this work at the instance of the Corps of Engineers and several communications directly from the construction department set up dates for inviting of bids. Originally bids were to be invited in May of 1948. It was later found necessary to revise the plans and at the time of the President's recommendation for cut-back the date for inviting bids on this project was set for January 9, 1949. The plans were listed as 99 percent complete at that time. In addition, the State of Georgia, with this hospital plan in mind, is now constructing at Lake Blackshear, 20 miles from this hospital site, a 2,000-acre State park, which has already been named Veterans' Memorial State Park.

As regards staffing, it was brought out that Americus has a good medical center. The doctors at the community had agreed to be on the staff if called upon for any of their services. A bond issue has just been voted in Americus for a new hospital to add 80 additional beds to the existing hospital and in order to clear a hurdle that might exist locally about nurses a nurses' training school is to be provided for training nurses locally.

Atlanta, Ga.

This project originally called for 750 general medical and surgical beds and was reduced to 500 merely because of the state of necessity to reduce the general construction program by approximately 16,000 beds. There is general agreement that these beds are badly needed and there is no difficulty whatsoever anticipated in the staffing of these beds.

ILLINOIS

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949...	1,213,000
VA authorized standard beds.....	8,543

	State	National
Veterans per bed:		
Jan. 5, 1949.....	142	178
Original construction and expansion program.....	118	117
Revised construction and expansion program.....	127	129

Hospital eliminated

Location.....	Decatur.
Type.....	GM.
Beds.....	250.

Estimated obligation incurred by Government—hospital eliminated

Location.....	Decatur.
Type.....	250 GM.
Amount.....	\$329,000.

Projects altered in size from present plans

Location.....	Chicago.
Type.....	GM.
Beds.....	From 1,000 to 500.

Estimated obligation incurred by Government—hospital altered

Location.....	Chicago.
Type.....	500 GM.
Amount.....	\$987,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Danville.....	NP.....	2,025
Downey.....	NP.....	2,982
Dwight.....	GMS.....	286
Hines.....	GMS.....	3,253
Marion.....	GMS.....	176
Total.....		8,722

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Marine.....	75
Civil and State.....	1,173
Combined total.....	1,248

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	28,568
Hospitalized in State.....	25,020
Hospitalized in other States.....	3,548
Veterans discharged outside State.....	3,548

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total.....	5,088	3,301	3,198	2,777
Danville, VA hospital.....	72	127	109	111
Downey, VA hospital.....	78	149	150	93
Dwight, VA hospital.....	184	182	176	152
Hines, VA hospital.....	3,350	2,113	2,469	2,175
Marion, VA hospital.....	275	210	193	159
Chicago, regional office.....	1,129	520		
Non-VA hospitals.....			101	87

Awaiting admission, Feb. 28, 1949

Danville.....	37
Downey.....	34
Dwight.....	90
Hines.....	366
Marion.....	55
Chicago.....	

Grand total..... 582

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Chicago): Illinois

Length of waiting period:	
1 to 60 days.....	656
61 to 120 days.....	186
121 to 180 days.....	50
Over 180 days.....	145

Total awaiting..... 1,037

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Danville.....	NP.....	14	9	82	0	3	0	1,926
Downey.....	NP.....	34	17	138	0	5	0	2,524
Dwight.....	GMS.....	12	3	37	0	1	0	226
Hines.....	GMS.....	53	283	514	0	12	0	3,154
Marion.....	GMS.....	14	2	38	0	2	0	176
Total.....		127	314	809	0	23	0	8,006

Staff required for hospital eliminated

Decatur:	
Number of doctors.....	9
Number of nurses.....	57
Number of dentists.....	3
Number of technicians.....	35

Additional staff required for hospital altered in size

Chicago:	
Number of doctors.....	27
Number of nurses.....	97
Number of dentists.....	3
Number of technicians.....	46

Comments regarding staffing of hospitals

Decatur, GM: Eliminated; difficult to staff properly.
 Chicago, GM: Altered in size; located in community where there are medical schools, no difficulty in staffing.

Comments

Chicago

A contemplated 1,000-bed general medical and surgical hospital is scheduled for reduction in size to 500 beds. It was the general agreement that the need for the additional 500 beds did exist and, likewise, that there would be absolutely no difficulty in staffing these beds. Cook County serves approximately 750,000 veterans. It was testified to that even if these 500 beds were restored here and the 250 general medical and surgical beds restored at Decatur that there would still not be enough of these beds to take care of the present and anticipated needs.

It was further testified to that the Hines Hospital has served Cook County for many years, as always, but too small for the load they were required to assume. In addition, it was brought out that this is not only a general medical and surgical hospital but is also a diagnostic center for all of the Midwest and that veterans are being sent there from all parts of the central part of the country to receive diagnostic services and specialized medical care. Likewise, the Veterans' Administration has the Hines Hospital, a very large tumor clinic, with patients being sent there from many States for specialized attention.

Decatur, Ill.

This project of a 250-bed general, medical, and surgical hospital has been recommended

for abandonment. This city is located in central Illinois and the area contemplated to be served is stated to care for potentially over 2,000 veterans who now have to go a distance of over 300 miles from Marion to Dwight but no hospital in between these two places. It is stated that there are 33 counties of Illinois without a close Veterans' Administration hospital and this works a great hardship, especially on acute cases and those requiring emergency attention. Greater Decatur itself is stated to have a population of 80,000.

Testimony brought out the fact that Decatur, Ill., holds a unique position in being the only city in America on two occasions unanimously selected for the site of a veterans' hospital by the Federal Board of Hospitalization. Originally it was so selected in 1940 to serve Decatur and the surrounding area but this proposed site was subsequently transferred to Marion, Ill. Studies in 1943, 1944, and 1945 revealed a great need of further general, medical, and surgical beds in this area and again Decatur was recommended for the site of a hospital to serve this area.

The need for general, medical, and surgical beds in this area does not appear to be questioned. Instances were cited of veterans on the waiting list for a considerable period of time dying before they could be admitted. The Veterans' Administration, which originally proposed this site, is now stating that witnesses from that area, however, have testified that there are sufficient specialists, consultants, and general practitioners to properly staff the hospital. Likewise, it was brought out that there are many nurses graduating from large recognized nurses' training schools in Illinois and Missouri who are now working away from their homes in the Decatur area who would be glad to come back home and work in this proposed hospital.

It was further brought out that private and public institutions in the State are unable to take care of the existing hospital load because they are already filled to capacity. 11,073 veterans are now hospitalized in civil and State hospitals. Approximately 1,300 of the presently authorized Veterans' Administration hospital beds in the State are of wartime construction. These are at Hines (Vaughn) and Downey (Great Lakes).

The Veterans' Administration official waiting list for February 28, 1949, is given as 582. The director of rehabilitation of a service organization stated his figures showed 609 and "That is a very conservative figure." It was brought out that in February 1949, 4,000 veterans applied for hospital treatment but only 2,900 could be admitted because of lack of beds or because they were not urgent cases and, consequently, were not placed on the official waiting list. It was also brought out that there are no Army hospitals in Illinois where beds are available.

The Decatur site was purchased January 17, 1946, and plans were in preparation. It was testified to that personnel, including professional men, are ideal. Surveys have definitely proven this. Decatur has a considerable number of outstanding men of the medical profession. The Veterans' Administration hospital would have been a part of a new medical center being contemplated.

KENTUCKY

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 320,000
VA authorized standard beds..... 2,914

	State	National
Veterans per bed:		
Jan. 5, 1949.....	110	178
Original construction and expansion program.....	78	117
Revised construction and expansion program.....	83	129

Projects altered in size from present plans

Location..... Louisville.
Type..... GM.
Beds..... From 750 to 500.

Estimated obligation incurred by Government, hospital altered

Location..... Louisville.
Type..... 500 GM.
Amount..... \$8,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Outwood.....	TB.....	376
Lexington.....	NP.....	1,230
Fort Thomas.....	GMS.....	308
Louisville.....	GMS.....	100
Total.....		2,914

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

Civil and State..... 67

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized..... 14,196
Hospitalization in State..... 10,728
Hospitalized in other States..... 3,468
Veterans discharged outside State..... 3,368

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	De- clared eligible	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	7,047	1,066	863	831
Outwood, VA hospital.....	37	53	34	39
Lexington, VA hospital.....	136	113	128	107
Fort Thomas, VA hospital.....	46	34	30	26
Louisville, VA hospital.....	1,639	857	665	657
Louisville, regional office.....	189	9		
Non-VA hospitals.....			6	4

Awaiting admission, Feb. 28, 1949

Outwood..... 71
Lexington..... 11
Fort Thomas..... 0
Louisville..... 292
Louisville, regional office..... 0

Grand total..... 374

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus) Kentucky

Length of waiting period:
1 to 60 days..... 1,080
61 to 120 days..... 338
121 to 180 days..... 86
Over 180 days..... 101
Total awaiting..... 1,605

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Outwood.....	TB.....	11	1	29	0	2	0	318
Lexington.....	NP.....	10	10	57	0	2	0	1,230
Fort Thomas.....	GMS.....	6	0	23	0	3	0	308
Louisville.....	GMS.....	28	62	201	0	4	0	1,000
Total.....		55	73	310	0	10	0	2,856

Additional staff required for hospital altered in size

Louisville:
Number of doctors..... 15
Number of nurses..... 60
Number of dentists..... 1
Number of technicians..... 20

Comments regarding staffing of hospital altered in size

Louisville, GM: Located in community where there are medical schools; no difficulty in staffing.

Comments

Kentucky

The testimony reveals that the State has a large veteran population with 29,014 Veterans' Administration beds authorized for the State while, during the fiscal year of 1948, over 20,000 veterans of Kentucky received hospital treatment. The program calls for a reduction of general-medical beds in Louisville from 750 to 500 which is a loss of 250 beds. However, the testimony points out that this proposed new hospital is to replace a 1,000 temporary bed in Louisville which is of temporary construction and has been referred to as very flimsy in construction and one which needs immediate replacement. The replacement hospital of 750 beds means a loss of 250 beds from the present bed allocation and by reducing the new hospital by 250 beds would mean a loss of 500 beds to Louisville instead of the 250 as indicated by a mere reduction of the 750-bed hospital to 500 beds. The present hospital at Louisville is overcrowded and has waiting lists and apparently can only take care of emergency cases. It should be borne in mind that Kentucky is surrounded by the States of Indiana, Illinois, Tennessee, Ohio, and West Virginia and invariably receive a large number of veterans from those States in the Kentucky hospitals. The testimony also indicates that State institutions are wholly inadequate to provide assistance to veterans and have a serious problem of taking care of the citizens of the State.

The Veterans' Administration selected and acquired by donation a site in the city of Louisville to locate the new hospital. It proceeded with the necessary engineering and architect plans at considerable cost and was at a point where actual construction of the project could begin with minimum delay.

MICHIGAN

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 788,000
VA authorized standard beds..... 3,165

	State	National
Veterans per bed:		
Jan. 5, 1949.....	249	178
Original construction and expansion program.....	164	117
Revised construction and expansion program.....	191	129

Hospitals eliminated

Location	Type	Beds
Grand Rapids.....	GM.....	200
Detroit.....	TB.....	509

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
Grand Rapids.....	200 GM.....	\$369,000
Detroit.....	509 TB.....	513,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Fort Custer.....	NP.....	2,148
Dearborn.....	GMS.....	1,117
Total.....		3,265

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army.....	200
Marine.....	75
Total.....	275
Civil and State.....	1,451
Combined total.....	1,726

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	11,786
Hospitalization in State.....	10,413
Hospitalized in other States.....	1,373
Veterans discharged outside State.....	1,378

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total.....	1,862	1,412	1,165	947
Fort Custer, VA hospital.....	26	43	60	52
Dearborn, VA hospital.....	861	732	693	555
Detroit regional office.....	975	637	412	340
Non-VA hospitals.....				

Awaiting admission Feb. 28, 1949

Grand total.....	420
Dearborn.....	209
Fort Custer.....	211
Detroit regional office.....	

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus): Michigan

Length of waiting period:	
1 to 60 days.....	1,080
61 to 120 days.....	338
121 to 180 days.....	86
Over 180 days.....	101
Total awaiting.....	1,605

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Fort Custer.....	NP	13	15	60	0	3	2	1,148
Dearborn.....	GMS	28	86	205	0	7	2	976
Total.....		41	101	265	0	10	2	3,124

Staff required for hospital eliminated

	Grand Rapids	Detroit
Number of doctors.....	16	24
Number of nurses.....	48	71
Number of dentists.....	1	2
Number of technicians.....	18	35

Comments regarding staffing of hospitals—Eliminated

Detroit, TB: Can be very readily staffed.
Grand Rapids, GM: Can be very readily staffed.

Comments

Michigan

Although the Veterans' Administration has estimated the veteran population of Michigan as 788,000, testimony from the Governor of the State brings out that in the past decade there has been a tremendous growth of population in the State and that the latest estimation of veterans in Michigan is 885,000. Other testimony introduced

stressed the fact that the 788,000 veterans in the Veterans' Administration figures does not take into consideration the transient veterans who migrate to heavy industrial sections. Hospital projects scheduled for elimination in this State are the Grand Rapids hospital with a 200-bed general medical and surgical capacity and the proposed hospital at Detroit, Mich., with a 500 TB bed capacity. The need for beds is very acute in both the State and in the Detroit area. The Governor of the State testified to a serious crisis existing in the State in providing a number of hospital beds for its nonveterans, as well as veterans. He brought out because no Veterans' Administration facilities are provided in Michigan for tubercular veterans the State has had to assume a large portion of the financial responsibility for the care of approximately 600 veterans now hospitalized in State, county, or private sanitariums. He further brings out that many veterans who are residents of Michigan and are being treated in Veterans' Administration facilities are being so treated in veterans' hospitals in several other States. The nearest Veterans' Administration facilities for tubercular patients are at Dayton, Ohio, or Milwaukee, Wis. There are approximately 450 such patients.

He brings out that this did not include the many veterans needing tubercular care who have refused hospitalization because it required separation from their families for a long period of time and considerable distance from their homes; also, those who have gone to these out-of-State facilities do not stay the full time required and return home before being cured. It also brings out the crowded urban conditions, and the shortage of facilities. This area has 50 to 60 percent of the total number of tubercular cases in the State and has a death rate of twice that of the remainder of the State. Oral testimony before the committee by the commissioner of health, Detroit, Mich., revealed a serious crisis regarding adequate facilities for cases of tuberculosis in Wayne County in which Detroit is located. Of 900 patients in Michigan dying of tuberculosis last year, 600 were from Wayne County. He brings out that there has been a large waiting list of urgent cases needing hospitalization which would be materially reduced if the veterans were cared for in their own hospitals. He further verifies the fact that tubercular veterans hospitalized at Dayton and Milwaukee leave early before treatment is completed because of their homesickness or inability to have their families visit them on account of the long distance. At the time of his testimony he cited an urgent waiting list of 125 to 150 patients needing hospital care at once who now must wait and to assure prompt care for all patients, veterans and nonveterans, 300 additional tuberculosis beds are needed for Wayne County alone. He stressed that the care of the veterans near their own homes is essential to securing cooperation and remaining in the hospital until treatment is completed.

As regards staffing the health commissioner stated that while there was in the past a difficulty in staffing a definite change in the securing of nursing and other personnel, it has changed for the better in the past few months and he now has been able to open beds which were closed because of shortage of staffs. Other testimony indicated that an independent survey would show that there would be sufficient doctors, nurses, technicians, etc., to staff this proposed tubercular hospital, if and when erected. Attention was invited to the medical colleges located in the city of Detroit whose medical and other personnel would be available in such

staffing. The Veterans' Administration has stated that this hospital could be very readily staffed. As regards the Grand Rapids general medical and surgical hospital the Governor of the State brought out that unless this hospital is built there would be no veterans' facilities provided for approximately 200,000 veterans living in the 30 counties of western Michigan. He brings out that there is a lack of sufficient hospital beds for the general public. As regards staffing it was brought out that Grand Rapids has a highly developed medical program and is the home of many nationally known medical experts in special lines. These would be available for proper staffing of this proposed hospital. Further information was submitted by the State service officer of a national service organization that in a recent visit to the sub-regional office at Escanaba that the manager of that veterans' office had advised him that they had more than twice the applications on file that would be necessary to staff this hospital, both professional and lay and services. The Veterans' Administration has indicated that this proposed hospital can be readily staffed.

MINNESOTA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949.....	382,000
VA authorized standard beds.....	2,144

	State	National
Veterans per bed:		
Jan. 5, 1949.....	178	178
Original construction and expansion program.....	142	117
Revised construction and expansion program.....	153	129

Hospitals eliminated

Location.....	Duluth.
Type.....	GM.
Beds.....	200.

Estimated obligation incurred by Government, hospital eliminated

Location.....	Duluth.
Type.....	200 GM.
Amount.....	\$274,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
St. Cloud.....	NP	1,387
Minneapolis.....	GMS	1,046
Total.....		2,433

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State.....	215
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Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	10,371
Hospitalization in State.....	9,092
Hospitalized in other States.....	1,279
Veterans discharged outside State.....	1,285

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total.....	1,628	988	935	822
St. Cloud, VA hospital.....	28	27	36	31
Minneapolis, VA hospital.....	1,368	891	848	745
Minneapolis, regional office.....	232	70		
Non-VA hospitals.....			51	46

Awaiting admission, Feb. 28, 1949

Minneapolis.....	290
St. Cloud.....	54
Minneapolis, regional office.....	—
Grand total.....	344

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Paul): Minnesota

Length of waiting period:	
1 to 60 days.....	671
61 to 120 days.....	280
121 to 180 days.....	88
Over 180 days.....	162

Total awaiting..... 1,201

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Minneapolis.....	GMS.	139	3	252	8	5	0	1,014
St. Cloud.....	NP.....	7	1	59	0	2	0	1,387
Total.....		146	4	311	8	7	0	2,401

Staff required for hospital eliminated

Duluth:	
Number of doctors.....	16
Number of nurses.....	43
Number of dentists.....	1
Number of technicians.....	18

Comments regarding staffing of hospitals, eliminated

Duluth, GM: Difficult to staff properly.

Comments

MINNESOTA

As of January 5, 1949, Minnesota with its estimated veteran population of 382,000 had 1 Veterans' Administration hospital bed available for every 178 veterans which was the same as the national average as of that date. Due to the expanded veteran population following World War II, the original construction and expansion program of hospital construction resulted in there being set up a contemplated average of 1 veteran for every 117 hospital beds. Under the original construction and expansion program, considering the 200-bed general medical and surgical hospital to be erected at Duluth, would have given Minnesota 1 bed per 142 veterans. This would have been below the national average. However, in the revised construction and expansion program, the hospital at Duluth is scheduled for elimination and this would bring the veterans' beds available in Minnesota to 1 bed for every 153 veterans as compared to a national average in the revised construction program of 1 bed per 129 veterans.

Another factor to be considered in further reducing the available veterans' beds to Minnesota veterans is that the present general medical and surgical veterans' hospital at Minneapolis is a highly specialized hospital and serves as a specialized medical and surgical treatment center for veterans in Iowa, Nebraska, North and South Dakota. There are no Army, Navy, or Public Health Service beds available to the Veterans' Administration in Minnesota. Because of the shortage of veterans' beds and the fact that the veterans' hospital at Minneapolis (Fort Snelling) has not been adequate in the past to meet the needs of all veterans of Minnesota. It was testified to that the construction of the proposed hospital at Duluth is essential.

The construction of the Duluth hospital was planned to serve 66 counties in Minnesota, North Dakota, Wisconsin, and upper Michigan, with an estimated veteran popu-

lation from 51,000 to 75,000. It is now necessary for certain very sick veterans to travel by bus, from a train, ambulance, or private conveyance a distance as much as 250 miles in Minnesota to reach the veterans' hospital at Minneapolis. Due to the severe winter and the fact that the hospital beds are in greater demand at that time, it is often impossible for a veteran in the Duluth area to get to an existing veterans' hospital bed even if same is available. Such a hospital, if constructed, would serve an area which is now quite inaccessible to existing or contemplated veterans' hospitals. Because there are no veterans' hospital facilities readily available to even urgent service-connected cases, there are now 50 veterans in private hospitals in the city of Duluth. All of the hospitals in Duluth are filled and some of them are planning forced emergency expansion. Some of the hospitals such as St. Luke's have Quonset huts set up on the lawn to take care of their emergency cases. Even if the Duluth hospital is built the average bed available per veteran for that area would still be below the national average of veterans' beds per patient and would result in one hospital bed for every 275 veterans in that area as compared to the national average of 129. As far as staffing is concerned, congressional and other witnesses appearing before the committee report that they have prospective assurance from doctors that enough facilities would be available in Duluth to man the proposed hospital there. It is reported that there are plenty of medical and nursing talent available within a few minutes drive from the proposed site. Detailed information was introduced to show that Duluth is recognized as a medical center with necessary professional and technical talent conducive to the operation of a veterans' hospital. On the other hand the Veterans' Administration has commented that as regards staffing it would be difficult to staff this proposed hospital properly.

MISSISSIPPI

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949.....	225,000
VA authorized standard beds.....	1,891

	State	National
Veterans per bed:		
Jan. 5, 1949.....	119	178
Original construction and expansion program.....	98	117
Revised construction and expansion program.....	119	129

Hospitals eliminated

Location	Type	Beds
Mound Bayou.....	GM.....	200
Tupelo.....	GM.....	200

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Beds
Mound Bayou.....	200 GM.....	\$231,000
Tupelo.....	200 GM.....	279,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Gulfport.....	NP.....	1,098
Biloxi.....	GMS.....	238
Jackson.....	GMS.....	750
Total.....		2,086

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State..... 90

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	10,784
Hospitalization in State.....	7,524
Hospitalized in other States.....	3,260
Veterans discharged outside State.....	3,261

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total.....	1,327	997	766	633
Gulfport, VA hospital.....	69	74	62	72
Biloxi, VA hospital.....	200	119	141	127
Jackson, VA hospital.....	980	738	557	429
Jackson, regional office.....	78	66	—	—
Non-VA hospitals.....	—	—	6	5

Awaiting admission, Feb. 28, 1949

Biloxi.....	—
Gulfport.....	7
Jackson.....	302
Jackson, regional office.....	—

Grand total..... 309

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Dallas): Mississippi

Length of waiting period:	
1 to 60 days.....	1,084
61 to 120 days.....	449
121 to 180 days.....	221
Over 180 days.....	536

Total awaiting..... 2,290

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Gulfport.....	NP.....	17	1	4	0	2	0	1,098
Biloxi.....	GMS.....	18	—	42	0	3	0	238
Jackson.....	GMS.....	28	20	9	0	3	0	570
Total.....		63	23	183	0	8	0	1,906

Staff required for hospital eliminated

	Mound Bayou	Tupelo
Number of doctors.....	16	16
Number of nurses.....	48	48
Number of dentists.....	1	1
Number of technicians.....	18	18

Comments regarding staffing of hospitals

Mound Bayou, GM: Difficult to staff properly.

Tupelo, GM: Difficult to staff properly.

Comments

Mississippi

The testimony shows that the general medical 200-bed hospital at Tupelo is to be eliminated. Yet, the location of this proposed hospital is located in an ideal area because it is almost 200 miles from Jackson, some 112 miles from Memphis and about 120 miles from Birmingham, Ala. It is a sort of a halfway ground from two good cities. It should be kept in mind that Mississippi is a long State and means that this area is handicapped in the distance veterans must travel

for the purpose of obtaining hospitalization. The State is 360 miles in length and approximately 120 to 200 miles in width. The testimony further shows that there are two permanent hospitals located on the Gulf coast area with one temporary hospital in Jackson which leaves the northern area of the State without hospital facilities. The biggest problem is the fact that the Jackson hospital cannot continue to operate indefinitely as there must be some permanent construction to replace this institution.

With reference to the Mound Bayou general medical 200-bed hospital proposed to be eliminated, it was pointed out that this hospital is designated for Negroes. Mound Bayou is located in the second largest Negro area in the State. This area has its Negro insurance companies, doctors, and leaders of the State who want the hospital and want it located at Mound Bayou and would take great pride in assisting in staffing this hospital with Negro doctors and nurses.

The State institutions cannot adequately care for the citizens of the State and many veterans attempting to receive treatment have been forced to be placed in jails awaiting hospital treatment.

MISSOURI

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 484,000
VA authorized standard beds..... 1,412

	State	National
Veterans per bed:		
Jan. 5, 1949.....	343	178
Original construction and expansion program.....	124	117
Revised construction and expansion program.....	154	129

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Kansas City.....	GM and TB to all TB.	745	1,500
St. Louis.....	GM.....	1,000	500

¹ Originally planned for 495 GM and 250 TB beds, now 500 TB beds.

Estimated obligations incurred by Government, hospital altered

Location	Type	Amount
Kansas City.....	500 GM.....	\$50,000
St. Louis.....	500 GM.....	166,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Excelsior Springs.....	TB.....	251
Springfield.....	TB.....	600
Jefferson Barracks.....	GMS.....	676

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Marine.....	60
Civil and State.....	3
Combined total.....	63

Veterans hospitalized in VA and non-VA hospitals—Fiscal year 1948

Total hospitalized.....	15,810
Hospitalization in State.....	6,587
Hospitalized in other States.....	9,223
Veterans discharged outside State.....	9,224

Applications for hospitalization, admissions, and discharges—January 1949

VA installation	New	De- clared eligible	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	2,204	1,107	910	861
Excelsior Springs, VA hos- pital.....	21	33	31	31
Springfield, VA hospital.....	125	127	132	98
Jefferson Barracks, VA hospital.....	1,273	889	674	672
St. Louis, regional office.....	374	56	.....	.....
Kansas City, regional of- fice.....	411	2	.....	.....
Non-VA hospitals.....	.....	.....	73	60

Awaiting admission—Feb. 28, 1949

Excelsior Springs.....	9
Springfield.....	16
Jefferson Barracks.....	60
Grand total.....	85

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Louis): Missouri

Length of waiting period:	
1 to 60 days.....	385
61 to 120 days.....	45
121 to 180 days.....	8
Over 180 days.....	5
Total awaiting.....	443

Medical personnel employed in existing VA hospitals—assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Excelsior Springs.....	TB.....	9	0	33	0	1	0	244
Springfield.....	TB.....	10	0	71	0	1	0	467
Jefferson Bar- racks.....	GMS.....	84	0	130	2	5	0	681
Total.....		103	0	234	2	7	0	1,392

Staff required for hospital altered in size

	Kansas City	St. Louis
Number of doctors.....	15	27
Number of nurses.....	49	97
Number of dentists.....	1	3
Number of technicians.....	20	46

Comments regarding staffing of hospitals—Altered in size

Kansas City, GM and TB: Located in communities where there are medical schools and no difficulty in staffing.

St. Louis, GM: Located in communities where there are medical schools and no difficulty in staffing.

Comments

Missouri

The Veterans' Administration's estimated veteran population is given as 484,000. Information furnished by the Government of the State indicates the veteran population of Missouri to be in excess of 6,000. Information furnished by the State service officer of Missouri is to the effect that according to figures obtained from the adjutant general's office, approximately 170,000 veterans of World War I were paid State bonuses by Missouri and according to Missouri accurate figures obtained Missouri has a total of 640,000 veterans of all wars. Projects scheduled for alteration in size from present plans are a

proposed general medical and surgical hospital of 1,000 beds at St. Louis, Mo., scheduled for reduction of 500 such beds and a hospital at Kansas City, Mo., originally planned for 495 general medical and surgical beds and 250 TB beds now scheduled for a reduction from the 745 combined beds to 500 TB beds.

It was brought out that the large centers of veteran population of Missouri are located in St. Louis and adjoining counties are in the vicinity of Kansas City and its adjoining counties. These are the two locations involved in the hospital construction cut-back.

Testimony was brought out that the Veterans' Administration plans to convert the present Veterans' Administration hospital at Jefferson Barracks to a neuropsychiatric hospital when the new general medical and surgical hospital is completed in St. Louis. This, therefore, would result in an actual reduction of general medical and surgical beds than is now available in this area. At the existing Jefferson Barracks veterans' hospital, it is brought out that they have an average daily emergency waiting list of 133 veterans in addition to the many P-10's being transferred there from other hospitals to reduce the present general medical and surgical beds and, therefore, work an unjust, undue, and unnecessary hardship on the veterans of Missouri and Illinois who now largely use this hospital.

The veteran population of the 38 counties of the eastern half of Missouri now officially designated as the area served by the present hospital at Jefferson Barracks is stated to serve, according to Veterans' Administration figures, a veterans population of 290,000 in addition to 37 counties in Illinois also included in this area and containing 190,830 veterans. The combined total of veterans thus served by this hospital is 489,830 with 60 percent of the veterans hospitalized from Missouri. This hospital now is averaging 900 admissions a month and is able to operate at the present bed capacity of 676 by utilizing sunrooms and other space for such much-needed beds. At the present time, 2,500 veterans in the State of Missouri are hospitalized outside of the State with the number broken down as 1,300 mental patients and 1,200 tuberculosis and general medical and surgical cases. This would seem to justify the proposed conversion of Jefferson Barracks to a neuropsychiatric hospital but with a loss of general medical and surgical beds in St. Louis, together with the elimination of all of the proposed general medical and surgical beds at Kansas City. The emergent general medical and surgical situation which has existed in Missouri, since prior to 1941, is expected to become more urgent and critical. There appears to be, therefore, no question as to the emergency needs for the proposed beds irrespective of their type or classification.

As regards staffing, both of the hospitals in Kansas City and St. Louis are located in communities where there are medical schools and this is recognized by the Veterans' Administration, who have indicated because of this that there would be no difficulty in staffing. In addition, the large number of fine hospitals and nurses' training schools in these areas would provide a large reservoir of nursing personnel to draw from, as well as the ability to recruit the necessary civilian staff for other needed positions.

The record contains a telegram from the president of the Jackson County Medical Society, covering the greater Kansas City area, pledging their wholehearted support of the medical profession of this area to staff the hospital from the local profession and

to form the consultant group to administer the best care to the veterans. At the St. Louis area, it was brought out that application for positions as resident doctors are triple as regards the openings available. It was also brought out that the doctors who made these applications at the present general medical hospitals at St. Louis stated they would not accept positions elsewhere. With this large reservoir of applications from doctors in excess of the openings available no difficulty should be experienced in adequately staffing a 1,000-bed general medical and surgical hospital at St. Louis and that number is one that appears to be urgently needed. There are two medical schools in St. Louis, i. e., the Washington University and the St. Louis University, who have been responsible for an excellent consultant staff, as well as producing a condition where applications for residents are tripled to that of the positions available.

NEW YORK

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949... 2,047,000
VA authorized standard beds... 9,369

	State	National
Veterans per bed:		
Jan. 5, 1949.....	218	178
Original construction and expansion program.....	118	117
Revised construction and expansion program.....	127	129

Hospital eliminated

Location..... New York.
Type..... Rehabilitation.
Beds..... 1,000.

Estimated obligation incurred by Government, hospital eliminated

Location..... New York.
Type..... 1,000 rehabilitation.
Amount..... \$6,000.

Projects altered in size from present plans

Location..... Syracuse.
Type..... 500 GM.
Beds..... From 1,000 to 500.

Estimated obligation incurred by Government, hospital altered

Location..... Syracuse.
Type..... 500 GM.
Amount..... \$288,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Castle Point.....	TB.....	607
Sunmount.....	TB.....	564
Canandaigua.....	NP.....	1,713
Northport.....	NP.....	2,702
Batavia.....	GMS.....	294
Bath.....	GMS.....	466
Bronx.....	GMS.....	1,627
Brooklyn.....	GMS.....	400
Saratoga Springs.....	GMS.....	50
Staten Island.....	GMS.....	1,500
Total.....		9,923

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

Navy.....	300
Marine.....	30
Total.....	330
Civil and State.....	1,081
Combined total.....	1,411

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	28,223
Hospitalized in State.....	29,590
Hospitalized in other States.....	1,367
Veterans discharged outside State.....	1,381

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	De- clared eligi- ble	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	6,498	3,924	2,934	2,701
Castle Point, VA hospital.....	1	29	41	31
Sunmount, VA hospital.....	35	80	35	37
Canandaigua VA hospital.....	11	11	22	18
Northport, VA hospital.....	15	154	41	41
Batavia, VA hospital.....	169	177	244	201
Bath, VA hospital.....	152	219	260	259
Bronx, VA hospital.....	2,282	992	897	869
Brooklyn, VA hospital.....	246	196	185	193
Saratoga Springs, VA hospital.....	43	45	90	77
Staten Island, VA hospital.....	234	323	606	548
Albany, regional office.....	243	209	-----	-----
Brooklyn, regional office.....	582	357	-----	-----
Buffalo, regional office.....	605	385	-----	-----
New York, regional office.....	1,519	635	-----	-----
Syracuse, regional office.....	361	112	-----	-----
Non-VA hospitals.....	-----	-----	513	427

Awaiting admission, Feb. 28, 1949

Batavia.....	151
Bath.....	191
Bronx.....	353
Brooklyn.....	108
Canandaigua.....	255
Castle Point.....	258
Northport.....	1,380
Saratoga Springs.....	16
Staten Island.....	312
Sunmount.....	234
Albany, regional office.....	-----
Brooklyn, regional office.....	-----
Buffalo, regional office.....	2
New York, N. Y., regional office.....	258
Syracuse, regional office.....	-----
Grand total.....	3,518

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (New York): New York

Length of waiting period:	
1 to 60 days.....	740
61 to 120 days.....	173
121 to 180 days.....	99
Over 180 days.....	208
Total awaiting.....	3,518

Medical personnel employed in existing VA hospitals—assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Castle Point.....	TB.....	22	4	65	0	20	0	613
Sunmount.....	TB.....	14	1	64	3	3	0	501
Canandaigua.....	NP.....	18	3	84	0	2	0	1,713
Northport.....	NP.....	63	7	67	0	40	0	2,702
Batavia.....	GMS.....	27	27	69	0	2	0	294
Bath.....	GMS.....	32	1	81	0	0	0	466
Bronx.....	GMS.....	211	97	365	0	8	1	1,627
Brooklyn.....	GMS.....	19	8	68	0	2	0	351
Manhattan.....	GMS.....	3	0	9	0	1	0	50
Saratoga Springs.....	GMS.....	101	4	242	0	6	0	1,365
Staten Island.....	GMS.....	510	152	1,114	3	30	1	9,682
Total.....		510	152	1,114	3	30	1	9,682

Staff required for hospital eliminated

New York:	
Number of doctors.....	54
Number of nurses.....	191
Number of dentists.....	7
Number of technicians.....	92

Staff required for hospital altered in size

Syracuse:	
Number of doctors.....	27
Number of nurses.....	97
Number of dentists.....	3
Number of technicians.....	46

Comments regarding staffing of hospitals

Eliminated—New York City, rehabilitation: Could be very readily staffed.

Altered—Syracuse, GM: Located in community where there are medical schools; no difficulty in staffing.

Comments

New York

New York has a veteran population, according to VA figures, of 2,047,000. Existing Veterans' Administration hospitals in New York draw a large number of patients from neighboring States that also have large veteran populations, and an admitted waiting list of 15,063 general medical and surgical cases; this, in addition to others not on the official waiting list.

The projects scheduled for elimination consist of the 1,000-bed general medical (chronic and rehabilitation) hospitals scheduled for the metropolitan New York area and the proposed hospital as Syracuse, which project is scheduled for alteration in size from 1,000-bed general medical and surgical to one of 500 beds. It is understood that provisions have been made for a certain number of beds for TB and NP cases in these general medical hospitals. There is a great shortage of all types of beds in the State, both Government and civilian. Testimony revealed that there are at the present time no State or municipal hospitals in the entire State that have beds available to veterans because they are jammed to capacity and beyond capacity. Beds at other Government hospitals are very limited. The Army advised the committee that it had no beds allocated for the veterans in the State of New York. The United States Public Health Service has only 30 beds allocated for veterans at its Buffalo hospital. The Navy has 300 beds allocated at its St. Albans Hospital. The schedule for closing of the Brooklyn Naval Hospital is going to place an additional burden on the St. Albans Naval Hospital which may result in a reduction of the 300 beds available there at present for veterans.

Also, the State of New York is scheduled to have returned to it the Halloran Hospital on Staten Island when construction has been completed on a 1,000-bed general medical and surgical hospital in New York City. This will eliminate the 1,500 presently authorized general medical and surgical beds in Staten Island and will result therefore in a net loss. Likewise, the present hospital at Brooklyn (Manhattan Beach) is also scheduled for return to the Federal Government (United States Public Health Service) beyond completion of the 1,000-bed general medical and surgical hospital at New York City. This will result in a further loss of the 400 general medical and surgical beds authorized here. Thus, with the completion of a 1,000-bed general hospital in New York City and with the return of this State and Federal hospital, it is contemplated that there will be a net loss of 1,900 beds for the New York City area. The restoration of the 1,000-bed chronic general medical and surgical hospital in New York now proposed for elimination would provide a type of hospital for the release of chronic cases now occupying general medical and surgical beds in the existing Veterans' Administration hospitals and in this way would take up only in part the net loss of 1,900 beds as mentioned. Actually the restoration of the 1,000-bed chronic general medical and surgical hospital in the New York area and the restoration of the 500 beds scheduled for reduction at Syracuse would still leave a net reduction of general medical and surgical beds with a capacity of 400 less than is now available. The needs are therefore quite apparent.

As regards staffing all evidence pointed to the fact that in the State of New York and

especially in the two locations mentioned sufficient medical nursing and other services to man these hospitals would be readily available. Further, they report they could very readily staff the previously proposed 1,000-bed chronic general medical and surgical hospital in the New York area.

NORTH CAROLINA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 406,000
VA authorized standard beds..... 2,412

	State	National
Veterans per bed:		
Jan. 5, 1949.....	168	173
Original construction and expansion program.....	76	117
Revised construction and expansion program.....	104	129

Hospital eliminated

Location	Type	Beds
Charlotte.....	GM.....	500
Salisbury.....	NP.....	921

Estimated obligation incurred by Government, hospital eliminated

	Type	Amount
Charlotte.....	500 GM.....	\$374,000
Salisbury.....	921 NP.....	1,030,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Oteen:		
Oteen Division.....	TB.....	996
Swannanoa Division.....	TB.....	1,000
Fayetteville.....	GMS.....	416
Total.....		2,412

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army.....	50
Civil and State.....	1,813
Combined total.....	1,863

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	13,647
Hospitalization in State.....	8,407
Hospitalized in other States.....	5,240
Veterans discharged outside State.....	5,243

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	De- clared eligible	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	1,555	916	721	608
Oteen, VA hospital:				
Oteen Division.....	84	127	98	64
Swannanoa.....	451	207	269	261
Fayetteville, VA hospital.....	718	336	310	238
Winston-Salem, regional office.....	302	246		
Non-VA hospitals.....			44	45

Awaiting admission, Feb. 28, 1949

Fayetteville.....	63
Oteen.....	88
Swannanoa.....	169
Winston-Salem, regional office.....	
Grand total.....	320

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Richmond): North Carolina

Length of waiting period:	
1 to 60 days.....	592
61 to 120 days.....	243
121 to 180 days.....	188
Over 180 days.....	259
Total waiting.....	1,282

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Oteen.....	TB.....	42	2	171	0	7	0	1,500
Fayetteville.....	GMS.....	20	0	65	0	3	0	338
Total.....		62	2	236	0	10	0	1,838

Staff required for hospital eliminated

	Charlotte	Salisbury
Number of doctors.....	33	30
Number of nurses.....	105	59
Number of dentists.....	3	2
Number of technicians.....	51	48

Comments regarding staffing of hospitals—eliminated

Charlotte, GM: Can be very readily staffed.
Salisbury, NP: Difficult to staff properly.

Comments

North Carolina

It should be noted that North Carolina has only two veterans' hospitals within the State. One a TB hospital at Oteen and the other a general medical at Fayetteville. At Salisbury the proposed 921-bed NP hospital has been eliminated. The State has no NP hospital for veterans. The testimony reveals an emergency need for this type of hospital within the State. The State has made every effort to provide State mental facilities and the existing State facilities are not adequate to provide care for mental veteran patients. Veterans suffering from mental disorders are sent to Roanoke, Va., or Augusta, Ga. Salisbury is ideally located within the State near medical schools located at Winston-Salem which will make recruitment of medical staff easier and provided more expert treatment for patients. Veterans suffering from mental disorders and awaiting admission to hospitals have been placed in jail within the State because no beds have been available. The plans for the hospital were 80 percent complete at the time the order was announced to eliminate this hospital from the program. Salisbury is in the center of veteran population in the State, there being almost 500,000 veterans living within a radius of 120 miles. The city made plans to furnish water, sewerage, street facilities, and all additional services required for this hospital. A considerable amount of money was spent by the city on this project.

At Charleston a 500 general-medical bed hospital has been eliminated. The testimony indicates there would be no difficulty in staffing the general-medical hospital in this area. It is ideally located as there is good bus, railway, and air transportation to the city as well as many paved highways entering the city. They have waiting lists for admission to the hospitals in this State, and due to the lack of available space in beds only emergency cases can be handled.

OHIO

Estimated veteran population, Jan. 5, 1949..... 983,000
VA authorized standard beds..... 4,380

	State	National
Veterans per bed:		
Jan. 5, 1949.....	224	177
Original construction and expansion program.....	111	119
Revised construction and expansion program.....	144	128

Hospital eliminated

Location.....	Toledo
Type.....	NP
Beds.....	1,000

Estimated obligation incurred by Government, hospital eliminated

Location.....	Toledo
Type.....	1,000 NP
Amount.....	\$825,000

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Cincinnati.....	GM.....	750	500
Cleveland.....	GM.....	1,000	500
Do.....	NP.....	1,250	1,000

Estimated obligations incurred by Government, hospitals altered

Cincinnati.....	500 GM.....	Proposed donation.
Cleveland.....	500 GM.....	\$622,000.
Do.....	1,000 NP.....	\$264,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Brecksville.....	TB.....	264
Chillicothe.....	NP.....	2,187
Cleveland.....	GMS.....	1,000
Dayton.....	GMS.....	1,316
Total.....		4,767

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Marine.....	120
Civil and State.....	309
Combined total.....	429

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	18,291
Hospitalization in State.....	15,838
Hospitalized in other States.....	2,467
Veterans discharged outside State.....	2,474

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	De- clared eligible	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	2,623	1,911	1,544	1,393
Brecksville, VA hospital.....	14	38	35	33
Chillicothe, VA hospital.....	62	50	51	47
Cleveland, VA hospital.....	698	998	846	708
Dayton, VA hospital.....	614	520	459	477
Cincinnati, regional office.....	299	170		
Cleveland, regional office.....	936	135		
Non-VA hospitals.....			153	128

Awaiting admission, Feb. 28, 1949

Brecksville.....	81
Chillicothe.....	37
Cleveland.....	362
Dayton.....	341
Cincinnati, regional office.....	
Cleveland, regional office.....	
Grand total.....	821

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus): Ohio

Length of waiting period:	
1 to 60 days.....	1,080
61 to 120 days.....	338
121 to 180 days.....	86
Over 180 days.....	101
Total awaiting.....	1,605

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Brecksville.....	TB.....	9	0	33	0	1	0	264
Chillicothe.....	NP.....	12	2	62	0	3	0	2,187
Cleveland.....	GMS.....	15	2	201	0	5	0	1,000
Dayton.....	GMS.....	65	52	188	3	5	0	1,004
Total.....		181	56	484	3	14	0	4,455

Staff required for hospital eliminated

Toledo:	
Number of doctors.....	33
Number of nurses.....	81
Number of dentists.....	3
Number of technicians.....	56

Additional staff required for hospital, altered in size

	Cincinnati	Cleveland (GM)	Cleveland (NP)
Number of doctors.....	15	27	8
Number of nurses.....	50	97	19
Number of dentists.....	1	3	1
Number of technicians.....	20	46	11

Comments regarding staffing of hospitals

Eliminated—Toledo, NP: Difficult to staff properly.
Altered—Cincinnati (GM), Cleveland (GM), and Cleveland (NP): These three hospitals are located in communities where there are medical schools—no difficulty in staffing.

Comments

Ohio

Testimony shows that Ohio has an extremely large veteran population and only has 4,380 authorized standard beds for veterans. Under the program, Toledo would lose a proposed 1,000-bed NP hospital. The State has one large VA NP hospital at Chillicothe, which is overcrowded and has waiting lists. It is pointed out that in order to be admitted to this hospital it is necessary for prospective patients to be determined insane, in other words to be probated before they can be admitted. There are over 1,000 service-connected veterans in the State mental institutions and the need for this additional NP hospital has clearly been established. Toledo is 30 miles from any available veterans' facility and is one of the outstanding examples of a medical research center not connected with a medical college. There are approximately 250,000 veterans in this area to be served by this hospital. The specialists and consultants and research facilities with laboratories are available in Toledo on a pro rata basis to a larger degree than they are in places where there is a medical college. The plans for this hospital at Toledo were 97 percent complete as of the time the cut-back order was issued. The testimony indicates a great need for restoration of the beds which would be taken away from the Cincinnati and Cleveland hospitals. Cincinnati would lose 750 beds and Cleveland would lose 250 beds. The present Veterans' Administration hospitals in Ohio have no vacant beds and have an accumulated waiting list and even emergency cases have more difficulty in being admitted. There is no difficulty in staffing the hospitals in the Cleveland and Cincinnati areas. The north-

ern half of the State of Ohio shows a ratio of one bed to each 236 veterans. It should be pointed out that geographically, Toledo is ideally situated to maintain a veterans' hospital. It has excellent transportation and is near a State mental facility. It has a greater proportionate number of doctors per person for consultation and staffing. Veterans in the State of Ohio have long days of waiting for admission to hospitals. It should be pointed out that Cincinnati donated the ground for the proposed hospital and the Government has spent a considerable amount of money in this area.

OKLAHOMA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949.....	297,000
VA authorized standard beds.....	606

	State	National
Veterans per bed:		
Jan. 5, 1949.....	490	178
Original construction and expansion program.....	126	117
Revised construction and expansion program.....	169	129

Hospitals eliminated

Location.....	Norman.
Type.....	NP.
Beds.....	750.

Estimated obligation incurred by Government, hospital eliminated

Location.....	Norman.
Type.....	750 NP.
Amount.....	\$606,000.

Projects altered in size from present plans

Location.....	Oklahoma City.
Type.....	GM.
From.....	1,000 to 500.

Estimated obligation incurred by Government, hospital altered

Location.....	Oklahoma City.
Type.....	500 GM.
Amount.....	\$97,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Muskogee.....	GMS.....	386
Oklahoma City.....	GMS.....	220
Total.....		606

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State.....	25
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Veterans hospitalized in VA and non-VA hospitals, fiscal year

Total hospitalized.....	9,326
Hospitalization in State.....	6,779
Hospitalized in other States.....	2,549
Veterans discharged outside State.....	2,547

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total.....	1,040	659	582	535
Muskogee, VA hospital.....	342	401	316	269
Oklahoma City, VA hospital.....	213	225	231	243
Muskogee, regional office.....	211	8	-----	-----
Oklahoma City, regional office.....	274	24	-----	-----
Non-VA hospitals.....	-----	-----	35	23

Awaiting admission, Feb. 28, 1949

Muskogee.....	103
Oklahoma City.....	35
Muskogee, regional office.....	14
Oklahoma City, regional office.....	2
Grand total.....	154

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Louis): Oklahoma

Length of waiting period:	
1 to 60 days.....	385
61 to 120 days.....	45
121 to 180 days.....	8
Over 180 days.....	5
Total awaiting.....	443

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Muskogee.....	GMS.....	18	11	72	2	3	0	343
Oklahoma City.....	GMS.....	20	0	46	2	1	0	220
Total.....		38	11	118	4	4	0	563

Staff required for hospital eliminated

Norman:	
Number of doctors.....	25
Number of nurses.....	54
Number of dentists.....	2
Number of technicians.....	45

Additional staff required for hospital altered in size

Oklahoma City:	
Number of doctors.....	27
Number of nurses.....	97
Number of dentists.....	3
Number of technicians.....	46

Comments regarding staffing of hospitals

Altered—Oklahoma City, GM: Located in community where there are medical schools and no difficulty in staffing.
Eliminated—Norman, NP: Moderately difficult to staff.

Comments

Oklahoma

The Veterans' Administration's estimate of veteran population in this State is stated to be 287,000, according to testimony given by members of the congressional delegation and other witnesses. It was stated that Oklahoma has between 300,000 and 350,000 veterans.

The recommended alteration and the hospital construction program contemplates the alteration in size from a 1,000 general medical and surgical bed to a 500-bed such hospital at Oklahoma City and the complete elimination of the 750 neuropsychiatric hospital at Norman. Both of these hospitals are located either adjacent to or near medical schools. They are at a distance of 18 miles apart. Another factor to consider is that the University of Oklahoma has a student population of 12,000 with a large number of these as veterans. There are only two Veterans' Administration hospitals in existence at the present time in the State. Both are in the general medical and surgical category. These are the 386-bed hospital at Muskogee and a 220-bed unit at Oklahoma City. The latter is a domiciliary hospital and occupies a former Army hospital (Will Rogers) and is stated to be in very bad physical condition. This hospital is very expensive to operate and it is expected that it will not be possible to continue it much longer. Taking the total of these 606 beds, it is found as of January 5, 1949, Oklahoma had only 1 bed per 490 veterans as compared to a national average of 1 bed per 178 veterans. If the revised construction and expansion program as contemplated is not altered but the original construction as planned is restored, Oklahoma will have only 1 hospital bed per 269 veterans as compared to a national average of 129. This would make it one of the lowest bed ratio per veteran in the country.

It was brought out that as a result of the revised construction program of the Veterans' Administration that Oklahoma lost 75 percent of its authorized hospital construction as compared to a national average hospital elimination of only 11 percent. Likewise, it is recorded that the Army, Navy, and Public Health Service has no hospital facilities available in Oklahoma for veterans. Oklahoma has no neuropsychiatric hospital in the State. The Veterans' Administration maintains only 39 emergency beds for NP cases with 11 at the Will Rogers Hospital at Oklahoma City and 28 at the hospital at Muskogee. These handle only emergency cases in the immediate territory until such time as they can be transferred to a Veterans' Administration mental hospital outside of the State. The State's largest neuropsychiatric hospital is also located at Norman. This hospital is said to be overcrowded. The need for neuropsychiatric care in Oklahoma is very great. It was brought out that a recent review of 107,000 files showed that about 6 percent of such veterans needed and applied for medical and hospital treatment. The Oklahoma regional office of the Veterans' Administration reveals that there are about 6,800 veterans with service-connected mental disabilities and that approximately 35 percent of some 90,000 cases on file show non-service-connected mental disabilities. As a result practically the only facilities available for veterans with mental disabilities exist outside of the State. Testimony was introduced to show a considerable number of veterans with neuropsychiatric disabilities in Oklahoma being placed in jail for safekeeping until they could be provided with necessary hospital facilities. The nearest Veterans' Administration neuropsychiatric hospitals serving Oklahoma are the ones at Waco, Tex.; North Little Rock, Ark.; and Topeka, Kans. These are, respectively, 375, 330, and 280 miles from Oklahoma. Accordingly all veterans who will accede to hospitalization outside of the State, or whose relatives will allow such treatment outside of the State, have to receive such care at considerable distance. Considerable difficulty is involved in transferring such ill men even if beds are available. However, even though the three hospitals above-mentioned are intended to serve Oklahoma, it was found that immediately upon learning of the elimination of the proposed hospital at Norman, contact was made with the registrars of the hospitals in question, with replies from such Veterans' Administration hospitals as follows:

"At Waco it was reported that the hospital was full and only emergency cases were taken. It was necessary for this hospital to send their overflow load to the Public Health Hospital at Fort Worth, Tex. At North Little Rock, Ark., the registrar stated they could not accept any cases except only a few emergency cases. They had a waiting list of 58. At Topeka, Kans., the registrar reported a waiting list of 150 and again information was obtained they could only take emergency cases. * * * and furthermore we cannot take those violent types of cases which are placed in locked wards, none whatsoever. If you have a case that requires confinement we cannot accept now."

This illustrates the extreme and emergent need of adequate veterans' beds for neuropsychiatric cases. An attempt was then made to obtain beds at the State and community level. The State hospital had a so-called veterans' ward with a capacity of 35. They were caring for 235 on this ward with an overflow of 35. The total bed capacity for mental patients in the State of Oklahoma is 5,989. It was found that the State hospitals were carrying 6,663 patients, and in view of this overcrowding beds were not readily available even at the State level for

veterans suffering with a mental illness and requiring hospitalization. The only alternative was to confine the more urgent cases of those who could not be controlled in local jails.

A letter received from the superintendent of the Central State Hospital at Oklahoma, where this medical superintendent had served for 50 years and felt himself familiar with the needs of Oklahoma veterans for neuropsychiatric hospitalization and treatment, strongly urges the proposed expansion program for construction of the 750-bed neuropsychiatric hospital at Norman. He brings out the urgency of the present need and the fact that this need will increase until the peak year is reached between 1965 and 1970. This physician recites the number of trained neuropsychiatric personnel of these institutions, a number of which are on the faculty of the school of medicine of the University of Oklahoma and conduct courses in psychiatry and neurology at that institution for medical students. Currently, an arrangement is being worked out with the university medical school for further training of their staff and he assures the committee "that our staff of psychiatrists, neurologists, psychologists, and technicians will be available for consultation purposes." He brings out that the hospital is filled to capacity at this time and that, "We are unable to take additional veteran patients in this unit and I know there are a great number of veterans in this area in need of mental treatment who are being denied hospitalization because of overcrowded conditions in all the neuropsychiatric hospitals in the southwestern area of the United States."

Attention was also invited to the fact that at the University of Oklahoma at Norman they have in their graduate school as one of its main departments the school of psychiatry and a member of the board of regents in Oklahoma in testifying before the committee felt that the faculty of this school could be used advantageously in the proposed neuropsychiatric hospital at Norman and stated:

"The university pledges its entire support and cooperation to staff such a hospital. Also the university school of medicine is increasing the size and scope of its teaching in psychiatry, all to the end that it will be better prepared to staff these hospitals when completed."

Other testimony was also introduced to show the availability of medical, nursing, and other professional services at Norman, as well as in Oklahoma City. The professor of surgery at the University of Oklahoma School of Medicine, accompanied by the executive secretary of the Oklahoma State Medical Society, showed that in a breakdown of medical psychiatrists there was a total of 19 psychiatrists in the area involved and of these 10 were in the active practice of psychiatry, and "all have indicated a willingness to serve the Veterans' Administration in an attending or consulting capacity. Eight of these physicians are members of their respective specialty board." This witness also brought out an improvement in the nursing situation with more nurses graduating and being available and the same holding true for laboratory and X-ray technicians. The Veterans' Administration has indicated that it would be only "moderately difficult" to staff this NP hospital.

As regards the reduction in size of the general medical and surgical hospital at Oklahoma City from 1,000 to 500, the testimony produced there showed a definite need for these beds. Furthermore, the proposed hospital is located adjacent to the State University Medical School, whose staffing facilities will be readily available. They are already cooperating with the Veterans' Ad-

ministration in the operation of the domiciliary hospital (Will Rogers) of 220 beds at Oklahoma City. There is no question as to the sufficiency and availability of medical, nursing, and other staffing. The Veterans' Administration has reported regarding this hospital that it is located in a community where there is a medical school and no difficulty is expected in staffing. Further, as regards the hospital eliminated at Norman, it was brought out that approximately \$3,000,000 has already been expended and it should not be wasted but rather utilized to construct the originally planned facility. This expense consists of purchasing of the site valued at approximately \$2,000,000 and an additional \$700,000 already spent by the Veterans' Administration in the preparation of plans, specifications, and other technical data. At the time of the announced elimination of this hospital in general the plans were reported as being 100 percent completed by the Veterans' Administration and they were ready to award the contract in February, which is now proposed for elimination. Testimony brought out showed that this proposed hospital was to serve a large geographical area.

OREGON

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 192,000
VA authorized standard beds..... 989

	State	National
Veterans per bed:		
Jan. 5, 1949.....	194	178
Original construction and expansion program.....	143	117
Revised construction and expansion program.....	168	129

Hospital eliminated

Location..... Klamath Falls.
Type..... GM.
Beds..... 200.

Estimated obligation incurred by Government, hospital eliminated

Location..... Klamath Falls.
Type..... GM.
Amount..... \$297,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Roseburg.....	NP	670
Portland.....	GMS	510
Total.....		1,180

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

OTHER GOVERNMENT

Civil and State..... 117

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized..... 6,635
Hospitalized in State..... 4,726
Hospitalized in other States..... 1,909
Veterans discharged outside State..... 1,914

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total.....	1,171	573	477	410
Roseburg, VA hospital.....	30	35	33	28
Portland, VA hospital.....	794	513	420	367
Portland, regional office.....	347	25		
Non-VA hospitals.....			24	16

Awaiting admission, Feb. 28, 1949

Portland.....	45
Roseburg.....	
Portland, regional office.....	
Grand total.....	45

Veterans awaiting admission to hospitals, Feb. 28, 1949

AREA (SEATTLE): OREGON

Length of waiting period:	
1 to 60 days.....	289
61 to 120 days.....	131
121 to 180 days.....	48
Over 180 days.....	55
Total awaiting.....	523

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Roseburg.....	NP	9	0	30	0	1	0	670
Portland.....	GMS	43	0	104	0	2	0	502
Total.....		52	0	134	0	3	0	1,172

Staff required for hospital eliminated

Klamath Falls:	
Number of doctors.....	16
Number of nurses.....	48
Number of dentists.....	1
Number of technicians.....	18

Comments regarding staffing of hospitals

Klamath Falls, GM: Moderately difficult to staff.

Comments
Oregon

The Veterans' Administration estimates a veteran population in this State of 192,000. The only new Veterans' Administration hospital construction planned for this State was the 200-bed general medical and surgical hospital at Klamath Falls. This is in southern Oregon and northern California, a vast area approximately 400 miles to either Portland or San Francisco, the existing hospitals now serving this area. It was brought out that this district embraces an area about the same area of eight States and the District of Columbia. These are eight States on the eastern seaboard, namely, the States of Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, Maryland, and in addition the District of Columbia. Due to the great distance required in traveling to the nearest veterans' hospitals it has been reported that a number of veterans have died en route to such hospital. It is stated that in this area there are at least 50,000 veterans involved. This area is reported to have a much larger ratio of veterans to the population than in most places of the country due to two factors:

(1) The Government has made the home-steading of public lands in this domain subject to veterans' preference and

(2) Klamath Falls contains a colony of ex-marines who have settled there because of climatic considerations in the after-care of tropical diseases incurred in the service. Other factors in producing an above-average portion of veterans is the fact that there were six military installations in this area during the war and many veterans migrated there after the war either because of marriages contracted with residents of that area or climatic and other considerations.

To illustrate the high percentage of veterans, it is reported in one community of 900 population—that of Twolake, Calif.—that veterans make up 91 percent of the additional military population. It was brought out also that there are more ex-marines in

Klamath Falls than in Portland, Oreg., a city 10 to 15 times the size of Klamath Falls. The existing hospital for general medical and surgical cases at Portland, Oreg., and San Francisco, Calif., are 718 miles apart, with small veterans' hospitals at Boise, Idaho, and Reno, Nev., serving only to limit the boundary of this area. The Army, Navy, and Public Health Service have no hospital facilities available in Oregon for veterans at all. It was revealed that despite the increase in the population of veterans in that area of 40 percent in 1940, there would not be a gain in a single part in that area for the care of veterans.

It was reported that the Government had already spent \$150,000 on the proposed site and other expenses. Also that the city of Klamath Falls and the county of Klamath Falls have spent an additional \$12,000 in the development of the site for the hospital when it was proposed to be built. The construction of an access road by the city and county was agreed upon as one of the conditions of constructing this hospital. Also that the county court had obligated itself to provide perpetual maintenance of this road leading to the approved hospital site.

As regards staffing, it was brought out that there was a fine group of doctors who are now practicing in the city, including specialists in many diseases. A letter from the Klamath County Medical Society was received showing that "the officers of the society have continued a policy of its membership to determine their reaction (to the proposed hospital)." The policy discloses that the members of this society are unanimously in favor of the proposal and they are also of the opinion that Klamath Falls is the logical location for such a hospital from a medical point of view. The members of the society are particularly impressed with the results achieved at the Klamath Falls marine barracks and the treatment and rehabilitation of servicemen suffering from tropical diseases as well as to the medical and surgical conditions. They believe that no small part of this has been due to the favorable local physical conditions, such as the absence of extremes of temperature and humidity; the very high proportion of cloudless days throughout the year; and the invigorating effect of the higher altitude. The Veterans' Administration comment in regard to the staffing of the hospital shows that it considers it only "moderately difficult" to staff this proposed hospital.

TENNESSEE

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949.....	361,000
VA authorized standard beds.....	4,662

	State	National
Veterans per bed:		
Jan. 5, 1949.....	77	178
Original construction and expansion program.....	50	117
Revised construction and expansion program.....	77	129

Hospitals eliminated

Location	Type	Beds
Chattanooga.....	GM	500
Memphis.....	NP	1,000

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Chattanooga.....	500 GM	\$441,000
Memphis.....	1,000 NP	1,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Memphis.....	TB	300
Murfreesboro.....	NP	1,307
Memphis.....	GMS	1,750
Mountain Home.....	GMS	605
Nashville.....	GMS	700
Total.....		4,662

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State.....	18
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Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	13,903
Hospitalized in State.....	12,765
Hospitalized in other States.....	1,108
Veterans discharged outside State.....	1,108

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total.....	3,329	2,113	2,041	1,945
Memphis, VA hospital.....	78	65	46	31
Murfreesboro, VA hospital.....	70	62	63	66
Mountain Home, VA hospital.....	446	369	324	282
Nashville, VA hospital.....	896	675	579	579
Memphis (Kennedy) General.....	1,513	936	1,016	978
Nashville, regional office.....	326	6		
Non-VA hospitals.....			8	9

Awaiting admission, Feb. 28, 1949

Memphis.....	64
Memphis (Kennedy).....	31
Mountain Home.....	112
Murfreesboro.....	23
Nashville.....	179
Nashville, regional office.....	
Grand total.....	409

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Atlanta): Tennessee

Length of waiting period:	
1 to 60 days.....	714
61 to 120 days.....	168
121 to 180 days.....	61
Over 180 days.....	65
Total awaiting.....	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Memphis.....	TB	11	0	44	1	2	0	300
Murfreesboro.....	NP	11	0	42	0	3	0	1,043
Memphis (Kennedy).....	GMS	103	4	243	0	7	0	1,446
Mountain Home.....	GMS	22	1	88	0	4	0	523
Nashville.....	GMS	42	33	112	2	3	0	600
Total.....		189	38	529	3	19	0	3,912

Staff required for hospital eliminated

	Chattanooga	Memphis
Number of doctors.....	33	33
Number of nurses.....	105	81
Number of dentists.....	3	3
Number of technicians.....	51	56

Comments regarding staffing of hospitals—

Chattanooga, GM: Difficult to staff properly.
Memphis, NP: Difficult to staff properly.

Comments**Tennessee**

The Veterans' Administration estimated the veteran population of this State to be 361,000. Witnesses appearing called attention to the large number of soldiers who trained in Tennessee due to the maneuvers held in that State and who since have come back and married in Tennessee and are now residing there. The actual veteran population is given as at least 395,000. The needs for veterans' hospital beds for cases of all types continues critical in the State. It was reported that daily veterans are being sent to veterans' hospitals by their local physicians as emergency cases only to be returned home and placed on the waiting list due to shortage of beds.

Tennessee at the present time has five veterans' hospitals. It was brought out that because of the location of three of them that although the beds are charged to Tennessee they are used freely by veterans from neighboring States. Veterans' Administration statistics during the fiscal year 1948 showed that the hospitals in Tennessee discharged 23,315 veterans and of that number 10,520 were from other States—Alabama, Arkansas, Georgia, Florida, Kentucky, Mississippi, Missouri, North Carolina, South Carolina, and Virginia.

There are no Army, Navy, or Public Health Service beds available for Tennessee. In the revised construction program it is contemplated to eliminate a 500-bed general medical and surgical hospital scheduled to be built at Chattanooga and a 1,000 neuropsychiatric hospital scheduled for Memphis.

As regards the neuropsychiatric load it was brought out that an acute need for such additional beds exists. State institutions are already overcrowded with an ever-increasing demand from civilians needing treatment in Memphis. The University of Tennessee Medical School is located in Memphis and it was felt that because of this there would be no difficulty in staffing the proposed hospital. The Veterans' Administration, however, reports that it will be difficult to staff this hospital properly.

Chattanooga is centrally located between Nashville and Atlanta and if the proposed hospital was built there it would reduce the coverage maintained by the Thayer and Lawson hospitals now serving this area. The nearest veterans' hospital to Chattanooga is at Mountain City Home which was originally constructed as an old soldiers' home. This is 125 miles from Chattanooga. The next nearest veterans' hospital is that of Murfreesboro which is 146 miles from Chattanooga. This, however, is a neuropsychiatric hospital. The hospital at Atlanta, Ga., is 125 miles away.

At the time of the announcement of the revised construction program it was reported that the plans and specifications of the Chattanooga hospital had been completed and were ready for the contractor to prepare bids.

As regards staffing witnesses testified that the fact of recruiting nursing and attendant personnel at Chattanooga would be easy. Also that the Chattanooga hospitals are fully staffed with a surplus of such professional talent. Further that, "Chattanooga is blessed with an excellent complement of specialists in the clinical and surgical field who would be available on a consulting basis." The Veterans' Administration, however, reports that it would be difficult to staff this hospital properly.

In the over-all staffing of both of these hospitals the testimony invited attention that Tennessee, with Vanderbilt University Medical School in Nashville and the University of Tennessee Medical School at Memphis graduating 132 doctors each semester, and "with the proper effort put forth by the

medical service to obtain the services of these doctors, and by using part-time consultants and residents, the 1,500 additional beds in Tennessee could be staffed without any difficulty by the time the hospitals were built."

TEXAS**Veteran population and bed ratio**

Estimated veteran population, Jan. 5, 1949..... 896,000
VA authorized standard beds..... 5,063

	State	National
Veterans per bed:		
Jan. 5, 1949.....	177	178
Original construction and expansion program.....	118	117
Revised construction and expansion program.....	127	129

Hospitals eliminated

Location	Type	Beds
El Paso.....	NP.....	500
Houston.....	NP.....	1,000

¹ Houston—canceled, with beds replaced by VA taking over Houston United States Naval Hospital.

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
El Paso.....	500 NP.....	\$456,000
Houston.....	1,000 NP.....	1,604,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Legion.....	TB.....	695
Waco.....	NP.....	2,214
Amarillo.....	GMS.....	187
Dallas.....	GMS.....	366
Houston.....	GMS.....	500
McKinney.....	GMS.....	1,000
Temple.....	GMS.....	1,000
Total.....		5,962

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans**OTHER GOVERNMENT**

Army.....	550
Navy.....	420
Marine.....	30
Fort Worth.....	450
Total.....	1,450
Civil and State.....	94
Combined total.....	1,544

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized.....	33,336
Hospitalization in State.....	31,177
Hospitalized in other States.....	2,159
Veterans discharged outside State.....	2,162

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	De- clared eligible	Net hos- pital admis- sions	Net hos- pital dis- charges
Total.....	4,103	3,222	2,644	2,386
Legion, VA hospital.....	57	30	46	40
Waco, VA hospital.....	226	105	71	121
Amarillo, VA hospital.....	339	166	155	134
Dallas, VA hospital.....	470	375	323	322
McKinney, VA hospital.....	390	438	384	363
Temple, VA hospital.....	181	349	257	240
Dallas, regional office.....	553	391	.....	.....
Houston, regional office.....	778	482	.....	.....
Lubbock, regional office.....	184	156	.....	.....
San Antonio, regional office.....	.....	.....	.....	.....
Non-VA hospitals.....	925	730	1,408	1,166

Awaiting admission, Feb. 28, 1949

Amarillo.....	317
Dallas.....	149
Legion.....	31
McKinney.....	264
Temple.....	489
Waco.....	16
Dallas, regional office.....	.....
Houston, regional office.....	.....
Lubbock, regional office.....	.....
San Antonio, regional office.....	.....
Waco, regional office.....	.....

Grand total..... 1,266

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Dallas): Texas

Length of waiting period:	
1 to 60 days.....	1,084
61 to 120 days.....	449
121 to 180 days.....	221
Over 180 days.....	536

Total awaiting..... 2,290

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Legion.....	TB.....	21	0	59	0	2	0	380
Waco.....	NP.....	22	4	89	0	4	0	1,996
Amarillo.....	GMS.....	10	4	33	0	2	0	187
Dallas.....	GMS.....	43	38	74	0	2	0	354
McKinney.....	GMS.....	68	50	105	0	4	0	622
Temple.....	GMS.....	38	0	123	0	2	0	745
Total.....		202	96	483	0	16	0	4,284

Staff required for hospitals eliminated

	El Paso	Houston
Number of doctors.....	19	33
Number of nurses.....	52	81
Number of dentists.....	2	3
Number of technicians.....	37	50

Comments regarding staffing of hospitals

El Paso, NP: Moderately difficult to staff.
Houston, NP: Could be readily staffed.

Comments**Texas**

In this State the revised construction and expansion program proposed the elimination of only NP beds. This involves the complete elimination of the proposed 500-bed neuropsychiatric hospital at El Paso and the elimination of a new 1,000-bed neuropsychiatric hospital planned for Houston with a cancellation of this new construction at Houston partially replaced by the Veterans' Administration taking over the Houston United States Naval Hospital. The witnesses appearing at the hearings indicated that there is proposed to activate 500 general medical and surgical beds at this former naval hospital at Houston and it was urged that action be taken to restore the additional 500 beds eliminated at Houston.

Witnesses appearing stressed that Texas is by far the largest State in the Union in size. It has a very large population and distances to be covered are very great. The nearest veterans' NP hospital to the El Paso area is that of Waco, more than 600 miles to the east. If the proposed hospital at El Paso is erected, it would serve an area of a 600-mile radius that is now without NP facilities.

Although the Veterans' Administration gives the estimated veteran population of Texas as of January 5, 1949, as 896,000, it was brought out that on the basis of selective-service figures and other factors such as a large number of veterans who trained in Texas during the war, eventually migrating and, "we have conservatively a million or more veterans in Texas today."

The neuropsychiatric situation has been very acute in Texas for a very long period of time. Testimony was introduced that many veterans needing emergency neuropsychiatric hospital care are being kept in local jails for their own safety and that of the community. Objection was raised to the fact that, "it is pretty rough on the family, especially the mothers who try to visit these boys, and they go up and see them behind bars amongst hardened criminals, and they are not allowed to visit except on every other Saturday, which is not conducive to better morale for the boy. In fact, we are so terribly ashamed of it that we even hate to see anybody go up there except a few of the veterans." A statement from one of the county judges of El Paso was introduced and the record which states:

"When a veteran becomes nolsy, unmanageable, or violent, either in the home or in public places, he is placed in the county jail, where he is exposed to the ridicule and taunts of marijuana fiends, drunkards, drug addicts, and so forth. This experience aggravates his condition, and sets him back from 6 to 8 months, and jeopardizes his chances for recovery."

At the present time the Veterans' Administration has a contract authority with the United States Public Health Service hospital at Fort Worth, Tex. It is brought out that this institution was built as a narcotic farm and objection was raised to hospitalizing veterans suffering from mental disability in such an environment. The erection of the hospital at El Paso would serve to eliminate this situation.

The only other facilities available other than the Waco Veterans' Hospital and the United States Public Health Service Hospital at Fort Worth are located at tremendous distances. These are as follows with mileage given from El Paso—Fort Lyons, Colo., over 600 miles; Gulfport, Miss., 1,200 miles and a few cases at Los Angeles, Calif., which is 800 miles. It was brought out that even in these hospitals it is difficult to have a case admitted and as a result veterans have to remain in county jails over periods of some 6 to 10 weeks.

Testimony was introduced to show that El Paso County has already incurred costs of \$379,725 in preparation for the construction of a hospital at El Paso. The money was expended on the basis of assurance to the community that the proposed hospital would be located there.

As regards staffing the proposed hospitals at El Paso and Houston the Veterans' Administration has commented that El Paso would be "moderately difficult" to staff and that Houston insofar as neuropsychiatric beds are concerned, "could be readily staffed." Introduced into the record was a telegram from the president of the El Paso Medical Society endorsing the NP hospital at El Paso on the basis of need and stating that approximately 40 doctors of medicine would be available for fee basis work.

EXHIBIT A.—Table showing the percent of completion and design of hospitals on Dec. 31, 1948, effected by the cut-back program

CANCELED OR ELIMINATED		
	Type	Percent
Americus, Ga.	TB	100
Charlotte, N. C.	GM	75
Chattanooga	GM	100
Columbia, S. C.	GM	0
Decatur, Ill.	GM	98
Detroit, Mich.	TB	100
Duluth, Minn.	GM	98
El Paso, Tex.	NP	100
Gainesville, Fla.	NP	99
Grand Rapids, Mich.	NP	100
Greenville, S. C.	GM	100
Harrisburg, Pa.	GM	95
Houston, Tex.	NP	100

EXHIBIT A.—Table showing the percent of completion and design of hospitals on Dec. 31, 1948, effected by the cut-back program—Continued

CANCELED OR ELIMINATED—continued		
	Type	Percent
Klamath Falls, Oreg.	GM	58
Memphis, Tenn.	NP	0
Mound Bayou, Miss.	GM	100
New York, N. Y.	GM Chr.	0
Norman, Okla.	NP	100
Salisbury, N. C.	NP	82
San Diego, Calif.	GM	100
Tallahassee, Fla.	GM	100
Thomasville, Ga.	GM	0
Toledo, Ohio	NP	97
Tupelo, Miss.	GM	100

REDUCED		
	Type	Percent
Atlanta, Ga.	GM	0
Chicago, Ill.	GM	11
Cincinnati, Ohio	GM	65
Cleveland, Ohio	GM	10
Do.	NP	0
Kansas City, Mo.	GM, TB	86
Louisville, Ky.	GM	90
Oklahoma City, Okla.	GM	33
Philadelphia, Pa.	GM	73
Pittsburgh, Pa.	GM	100
Do.	NP	78
St. Louis, Mo.	GM	88
Syracuse, N. Y.	GM	35
Washington, D. C.	GM	15

Mr. DONNELL. Mr. President, I ask unanimous consent to read a very few sentences to the Senator from Florida and ask him if the statement is not, in his judgment, justified by the testimony which was given before the committee. It is from the summary of the subcommittee filed with the Committee on Labor and Public Welfare. From page 46 I read as follows:

At the present time 2,500 veterans in the State of Missouri are hospitalized outside of the State, with the number broken down as 1,300 mental patients and 1,200 tuberculosis and general medical and surgical cases. This would seem to justify the proposed conversion of Jefferson Barracks to a neuropsychiatric hospital but with a loss of general medical and surgical beds in St. Louis, together with the elimination of all the proposed general medical and surgical beds at Kansas City. The emergent general medical and surgical situation which has existed in Missouri, since prior to 1941, is expected to become more urgent and critical. There appears to be, therefore, no question as to the emergency needs for the proposed beds, irrespective of their type or classification.

Mr. PEPPER. Mr. President, that statement is justified by the record.

I notice my colleague on the floor at this time. In our State there was a 1,000-bed neuropsychiatric hospital which was cut out by Executive order. There is not such a hospital now in the entire State of Florida. The State service officer testified at the hearing that on a given day there were 35 veterans in jail, who were mental cases, but there was no NP veterans' hospital in which they could be hospitalized.

I want Senators to understand the legal effect of what we are doing. We are providing \$237,000,000 in contract authorizations which will allow the building of hospitals. If Senators are interested in the building of these hospitals they are in position to indicate their interest.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. O'MAHONEY. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. O'MAHONEY, Mr. RUSSELL, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. FERGUSON, Mr. BRIDGES, and Mr. CORDON conferees on the part of the Senate.

FOREIGN AID APPROPRIATIONS

Mr. MCKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 4830, making appropriations for foreign aid for the fiscal year 1950.

Mr. WHERRY. I have no objection. There being no objection, the Senate proceeded to consider the bill (H. R. 4830), making appropriations for foreign aid for the fiscal year 1950, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

EXECUTIVE SESSION

Mr. MYERS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. MYERS. Mr. President, I ask that the Senate pass over page 1 of the Executive Calendar and the first nomination on page 2 of the calendar.

The VICE PRESIDENT. Without objection, those nominations will be passed over, and the clerk will read the next nomination on the calendar.

DEPARTMENT OF AGRICULTURE

The Chief Clerk read the nomination of Knox T. Hutchinson, of Tennessee, to be Assistant Secretary of Agriculture.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The Chief Clerk read the nomination of Jones Floyd to be United States marshal for the western district of Arkansas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John S. Denise, Sr., to be United States marshal for the western district of Washington.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and without objection, the President will be immediately notified of the confirmation this day made.

RECESS

Mr. MYERS. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, August 3, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 2 (legislative day of June 2), 1949:

SUPREME COURT OF THE UNITED STATES
ASSOCIATE JUSTICE

Tom C. Clark, of Texas, to be an Associate Justice of the Supreme Court of the United States, vice Frank Murphy, deceased.

DEPARTMENT OF JUSTICE

ATTORNEY GENERAL OF THE UNITED STATES

J. Howard McGrath, of Rhode Island, to be Attorney General of the United States, vice Tom C. Clark.

IN THE NAVY

The following-named officer for permanent appointment in the line of the Navy in the grade hereinafter stated:

ENSIGN

Marder, Martin D.

The following-named officers for permanent appointment in the Supply Corps of the Navy in grades hereinafter stated:

LIEUTENANT (JUNIOR GRADE)

Bandish, Bernard J.

LIEUTENANT

Foley, John A.

The following-named officer for temporary appointment in the Supply Corps of the Navy in the grade hereinafter stated:

LIEUTENANT COMMANDER

Foley, John A.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 2 (legislative day of June 2), 1949:

DEPARTMENT OF AGRICULTURE

Knox T. Hutchinson to be Assistant Secretary of Agriculture.

UNITED STATES MARSHALS

Jones Floyd to be United States marshal for the western district of Arkansas.

John S. Denise, Sr., to be United States marshal for the western district of Washington.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 2, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. James P. Wesberry, LL. D., offered the following prayer:

Merciful Father, Lord of Lords and King of Kings, whose loving kindness is extended to all, look, we humbly pray Thee, with gracious favor, upon all whom Thou has placed in authority in our Government. Grant Thy special blessing upon our President, the Vice President, our Speaker and all the Members of the Congress. If it please Thee, our Father, give to each of them an understanding heart that they may discern between good and evil, governing our Nation according to the laws of Thy kingdom which is from everlasting unto everlasting. Thus, may justice and peace reign throughout our land that we may show to all the nations of the earth, that Thou, O Lord, art God alone. Through Jesus Christ our Lord. Amen.

LEGALITY OF SESSION OF CONGRESS

Mr. CHURCH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. CHURCH. Mr. Speaker, I make the point of order that the House is not legally in session, and again cite section 132 of the Reorganization Act passed by the Congress. Today, Mr. Speaker, the situation is different in one particular from the situation on yesterday, when the two points of order were raised by the gentleman from Indiana [Mr. HALLECK] and myself.

Mr. Speaker, section 132 reads as follows:

CONGRESSIONAL ADJOURNMENT

SEC. 132. Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day (Sundays excepted) in the month of July in each year unless otherwise provided by Congress.

Mr. Speaker, I emphasize the words in parenthesis "Sundays excepted." If through any interpretation the words "Sundays excepted" give legality to the session of yesterday, then, Mr. Speaker, that interpretation could not carry that legality to include today. Therefore, I renew my point of order that the House is not legally in session, for the reasons stated by the gentleman from Massachusetts last July 27 and by the gentleman from Indiana and me on yesterday, and in addition for the reason that I have just stated, namely, that the words "Sundays excepted" cannot carry a legal session into today. Mr. Speaker, the President can instantly call a "special session" to meet immediately, and thereby remove the doubt as to the legality of the future proceedings of the Congress.

The SPEAKER. The Chair is ready to rule.

The Chair makes the statement again that on July 27, in response to the parliamentary inquiry propounded by the gentleman from Massachusetts [Mr. MARTIN], the Chair held, and he so holds today, that the Congress is in legal session.

The point of order is overruled.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5238. An act to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes.

TO INCREASE COMPENSATION FOR WORLD WAR I PRESUMPTIVE SERVICE-CONNECTED CASES, ETC.

The SPEAKER. The unfinished business before the House is the question on the motion to suspend the rules and pass the bill (H. R. 5598) to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency al-

lowances, and redefine the terms "line of duty" and "willful misconduct."

The question was taken.

Mr. RANKIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present. Other Members want to be here, and therefore, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken and there were—yeas 359, answered "present" 3, not voting 70, as follows:

[Roll No. 150]

YEAS—359

Abernethy	Curtis	Huber
Addonizio	Dague	Irving
Albert	Davis, N. Y.	Jackson, Calif.
Allen, Calif.	Davis, Ga.	Jackson, Wash.
Allen, La.	Davis, Tenn.	Jacobs
Andersen.	Davis, Wis.	James
H. Carl	Dawson	Javits
Anderson, Calif.	Deane	Jonson
Andresen.	DeGraffenried	Jenkins
August H.	Delaney	Jennings
Andrews	D'Ewart	Jensen
Angell	Dolliver	Johnson
Arends	Dondero	Jonas
Aspinall	Donohue	Jones, Ala.
Auchincloss	Doughton	Jones, Mo.
Bailey	Douglas	Jones, N. C.
Barden	Doyle	Judd
Baring	Eberharter	Karst
Barrett, Pa.	Elliott	Karsten
Barrett, Wyo.	Ellsworth	Kean
Bates, Mass.	Engel, Mich.	Kearney
Battle	Engle, Calif.	Kearns
Beall	Evins	Keating
Beckworth	Fallon	Kee
Bennett, Mich.	Feighan	Keefe
Bentsen	Fellows	Kelley
Biemiller	Fenton	Kennedy
Bishop	Fernandez	Keogh
Bland	Fisher	Kerr
Blatnik	Flood	Kilburn
Boggs, Del.	Forand	Kilday
Boggs, La.	Ford	King
Bolling	Fulton	Kirwan
Bolton, Md.	Furcolo	Klein
Bosone	Garmatz	Kruse
Boykin	Gary	Kunkel
Bramblett	Gathings	Lane
Breen	Gavin	Lanham
Brehm	Gillette	Latham
Brooks	Golden	LeCompte
Brown, Ga.	Goodwin	Lemke
Brown, Ohio	Gordon	Lichtenwalter
Bryson	Gorski, Ill.	Lind
Buchanan	Gorski, N. Y.	Linehan
Buckley, Ill.	Gossett	Lodge
Bulwinkle	Graham	Lovre
Burdick	Granahan	Lyle
Burke	Granger	Lynch
Burleson	Grant	McCarthy
Burnside	Green	McConnell
Burton	Gregory	McCormack
Byrnes, Wis.	Gwinn	McCulloch
Camp	Hagen	McDonough
Canfield	Hale	McGuire
Cannon	Hall	McKinnon
Carlyle	Edwin Arthur	McMillan, S. C.
Carnahan	Hall	McMillen, Ill.
Carroll	Leonard W.	McSweeney
Case, N. J.	Halleck	Mack, Ill.
Case, S. Dak.	Hand	Mack, Wash.
Cavalcante	Harden	Macy
Celler	Hare	Madden
Chelf	Harris	Magee
Chesney	Hart	Mahon
Chiperfield	Harvey	Mansfield
Christopher	Havener	Marcantonio
Church	Hays, Ohio	Marsalis
Clemente	Hébert	Marshall
Cole, Kans.	Heffernan	Martin, Iowa
Cole, N. Y.	Heller	Morrow
Colmer	Herlong	Michener
Combs	Herter	Miles
Cooley	Heslerton	Miller, Calif.
Cooper	Hill	Miller, Md.
Corbett	Hobbs	Miller, Nebr.
Cotton	Hoeven	Mills
Cox	Hoffman, Mich.	Mitchell
Crawford	Hollfield	Monrone
Crook	Holmes	Morgan
Crosser	Horan	Morris
Cunningham	Howell	Morrison

Morton	Regan	Teague
Moulder	Rhodes	Thomas, Tex.
Multer	Ribicoff	Thompson
Murray, Tenn.	Rich	Thornberry
Murray, Wis.	Richards	Tollefson
Nelson	Riehlman	Trimble
Nicholson	Rivers	Underwood
Nixon	Rodino	Van Zandt
Noland	Rogers, Fla.	Velde
Norblad	Rogers, Mass.	Vinson
Norrell	Rooney	Vorys
Norton	Sabath	Vursell
O'Brien, Ill.	Sadiak	Wadsworth
O'Hara, Ill.	Sadowski	Wagner
O'Hara, Minn.	St. George	Walter
O'Konski	Sanborn	Welchel
O'Neill	Sasscer	Welch, Mo.
O'Sullivan	Scott, Hardie	Werdel
O'Toole	Scott,	Wheeler
Pace	Hugh D., Jr.	Whitaker
Patten	Scrivner	White, Calif.
Perkins	Scudder	White, Idaho
Peterson	Secrest	Whittington
Philbin	Shafer	Wickersham
Phillips, Calif.	Sheppard	Wier
Phillips, Tenn.	Short	Wigglesworth
Pickett	Simpson, Ill.	Willis
Poage	Simpson, Pa.	Wilson, Ind.
Polk	Sims	Wilson, Okla.
Poulson	Smathers	Wilson, Texas
Preston	Smith, Kans.	Winstead
Price	Smith, Wis.	Withrow
Priest	Spence	Wolcott
Rabaut	Steed	Wolverton
Rains	Stefan	Wood
Ramsay	Stockman	Worley
Rankin	Sullivan	Yates
Redden	Sutton	Young
Reed, Ill.	Tackett	Zablocki
Reed, N. Y.	Talle	
Rees	Tauriello	

ANSWERED "PRESENT"—3

Bennett, Fla.	Lucas	Williams
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NOT VOTING—70

Abbitt	Gore	Pfeifer,
Allen, Ill.	Gross	Joseph L.
Bates, Ky.	Hardy	Pfeiffer,
Blackney	Harrison	William L.
Bolton, Ohio	Hays, Ark.	Plumley
Bonner	Hedrick	Potter
Buckley, N. Y.	Hinshaw	Powell
Byrne, N. Y.	Hoffman, Ill.	Quinn
Chatham	Hope	Roosevelt
Chudoff	Hull	Sikes
Clevenger	Larcade	Smith, Ohio
Coudert	LeFevre	Smith, Va.
Davenport	Lesinski	Staggers
Denton	McGrath	Stanley
Dingell	McGregor	Stigler
Dollinger	Martin, Mass.	Taber
Durham	Mason	Taylor
Eaton	Meyer	Thomas, N. J.
Elston	Murdock	Towe
Fogarty	Murphy	Walsh
Frazier	O'Brien, Mich.	Welch, Calif.
Fugate	Passman	Whitten
Gamble	Patman	Woodhouse
Gilmer	Patterson	Woodruff

So (two-thirds voting in favor thereof) the motion to suspend the rules was agreed to, and the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Whitten with Mr. Martin of Massachusetts.
 Mr. Murphy with Mr. Taber.
 Mr. Larcade with Mr. Towe.
 Mr. Wickersham with Mr. Eaton.
 Mr. Bonner with Mr. McGregor.
 Mr. Abbitt with Mr. Potter.
 Mr. Stanley with Mr. Taylor.
 Mr. Harrison with Mr. Woodruff.
 Mr. Fugate with Mr. Hoffman of Illinois.
 Mr. Smith of Virginia with Mr. Gamble.
 Mr. Hardy with Mr. Elston.
 Mr. Gilmer with Mr. Allen of Illinois.
 Mr. Stigler with Mr. Meyer.
 Mr. Passman with Mr. Hope.
 Mr. Sikes with Mr. Hinshaw.
 Mr. Patman with Mr. LeFevre.
 Mr. O'Brien of Michigan with Mr. Patterson.
 Mr. Quinn with Mr. Hull.
 Mr. Byrne of New York with Mr. Plumley.
 Mr. Hays of Arkansas with Mr. William L. Pfeiffer.
 Mr. Joseph L. Pfeiffer with Mr. Gross.

Mr. Fogarty with Mr. Coudert.
 Mr. Staggers with Mr. Blackney.
 Mr. Chudoff with Mr. Smith of Ohio.
 Mr. Davenport with Mr. Welch of California.

Mr. Roosevelt with Mr. Mason.
 Mrs. Woodhouse with Mrs. Bolton of Ohio.

Mr. WILLIAMS. Mr. Speaker, on this vote I am recorded as voting "yea." In view of the fact that I am a veteran with a service-connected disability who may be affected by this legislation, I withdraw my vote of "yea" and ask that I be recorded as voting "present."

Mr. BENNETT of Florida. Mr. Speaker, I make the same request, for the same reason.

The result of the vote was announced as above recorded.

The doors were opened.

NATIONAL SECURITY ACT AMENDMENTS OF 1949

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1142)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'National Security Act Amendments of 1949'.

"SEC. 2. Section 2 of the National Security Act of 1947 is amended to read as follows:

"SEC. 2. In enacting this legislation, it is the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security; to provide three military departments, separately administered, for the operation and administration of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force, with their assigned combat and service components; to provide for their authoritative coordination and unified direction under civilian control of the Secretary of Defense but not to merge them; to provide for the effective strategic direction of the armed forces and for their operation under unified control and for their integration into an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the armed forces nor an armed forces

general staff (but this it not to be interpreted as applying to the Joint Chiefs of Staff or Joint Staff).'

"CHANGE IN COMPOSITION OF THE NATIONAL SECURITY COUNCIL

"SEC. 3. The fourth paragraph of section 101 (a) of the National Security Act of 1947 is amended to read as follows:

"The Council shall be composed of—

"(1) the President;

"(2) the Vice President;

"(3) the Secretary of State;

"(4) the Secretary of Defense;

"(5) the Chairman of the National Security Resources Board; and

"(6) The Secretaries and Under Secretaries of other executive departments and of the military departments, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board, when appointed by the President by and with the advice and consent of the Senate, to serve at his pleasure.'

"CONVERSION OF THE NATIONAL MILITARY ESTABLISHMENT INTO AN EXECUTIVE DEPARTMENT

"SEC. 4. Section 201 of the National Security Act of 1947 is amended to read as follows:

"SEC. 201. (a) There is hereby established, as an Executive Department of the Government, the Department of Defense, and the Secretary of Defense shall be the head thereof.

"(b) There shall be within the Department of Defense (1) the Department of the Army, the Department of the Navy, and the Department of the Air Force, and each such department shall on and after the date of enactment of the National Security Act Amendments of 1949 be military departments in lieu of their prior status as Executive Departments, and (2) all other agencies created under title II of this Act.

"(c) Section 158 of the Revised Statutes, as amended, is amended to read as follows:

"SEC. 158. The provisions of this title shall apply to the following Executive Departments:

"First. The Department of State.

"Second. The Department of Defense.

"Third. The Department of the Treasury.

"Fourth. The Department of Justice.

"Fifth. The Post Office Department.

"Sixth. The Department of the Interior.

"Seventh. The Department of Agriculture.

"Eighth. The Department of Commerce.

"Ninth. The Department of Labor."

"(d) Except to the extent inconsistent with the provisions of this Act, the provisions of title IV of the Revised Statutes as now or hereafter amended shall be applicable to the Department of Defense.'

"THE SECRETARY OF DEFENSE

"SEC. 5. Section 202 of the National Security Act of 1947, as amended, is further amended to read as follows:

"SEC. 202. (a) There shall be a Secretary of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. *Provided*, That a person who has within ten years been on active duty as a commissioned officer in a Regular component of the armed services shall not be eligible for appointment as Secretary of Defense.

"(b) The Secretary of Defense shall be the principal assistant to the President in all matters relating to the Department of Defense. Under the direction of the President, and subject to the provisions of this Act, he shall have direction, authority, and control over the Department of Defense.

"(c) (1) Notwithstanding any other provision of this Act, the combatant functions assigned to the military services by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof

shall not be transferred, reassigned, abolished, or consolidated.

"(2) Military personnel shall not be so detailed or assigned as to impair such combatant functions.

"(3) The Secretary of Defense shall not direct the use and expenditure of funds of the Department of Defense in such manner as to effect the results prohibited by paragraphs (1) and (2) of this subsection.

"(4) The Departments of the Army, Navy, and Air Force shall be separately administered by their respective Secretaries under the direction, authority, and control of the Secretary of Defense.

"(5) Subject to the provisions of paragraph (1) of this subsection no function which has been or is hereafter authorized by law to be performed by the Department of Defense shall be substantially transferred, reassigned, abolished or consolidated until after a report in regard to all pertinent details shall have been made by the Secretary of Defense to the Committees on Armed Services of the Congress.

"(6) No provision of this Act shall be so construed as to prevent a Secretary of a military department or a member of the Joint Chiefs of Staff from presenting to the Congress, on his own initiative, after first so informing the Secretary of Defense, any recommendation relating to the Department of Defense that he may deem proper.

"(d) The Secretary of Defense shall not less often than semiannually submit written reports, to the President and the Congress covering expenditures, work and accomplishments of the Department of Defense, accompanied by (1) such recommendations as he shall deem appropriate, (2) separate reports from the military departments covering their expenditures, work and accomplishments, and (3) itemized statements showing the savings in public funds and the eliminations of unnecessary duplications and overlappings that have been accomplished pursuant to the provisions of this Act.

"(e) The Secretary of Defense shall cause a seal of office to be made for the Department of Defense, of such design as the President shall approve, and judicial notice shall be taken thereof.

"(f) The Secretary of Defense may, without being relieved of his responsibility therefor, and unless prohibited by some specific provision of this Act or other specific provision of law, perform any function vested in him through or with the aid of such officials or organizational entities of the Department of Defense as he may designate."

"DEPUTY SECRETARY OF DEFENSE; ASSISTANT SECRETARIES OF DEFENSE; MILITARY ASSISTANTS; AND CIVILIAN PERSONNEL

"Sec. 6. (a) Section 203 of the National Security Act of 1947 is amended to read as follows:

"Sec. 203. (a) There shall be a Deputy Secretary of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate: *Provided*, That a person who has within ten years been on active duty as a commissioned officer in a Regular component of the armed services shall not be eligible for appointment as Deputy Secretary of Defense. The Deputy Secretary shall perform such duties and exercise such powers as the Secretary of Defense may prescribe and shall take precedence in the Department of Defense next after the Secretary of Defense. The Deputy Secretary shall act for, and exercise the powers of, the Secretary of Defense during his absence or disability.

"(b) There shall be three Assistant Secretaries of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of Defense may prescribe and shall take precedence in the Department of Defense

after the Secretary of Defense, the Deputy Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force.

"(c) Officers of the armed services may be detailed to duty as assistants and personal aides to the Secretary of Defense, but he shall not establish a military staff other than that provided for by section 211 (a) of this Act."

"(b) Section 204 of the National Security Act of 1947 is amended to read as follows:

"Sec. 204 The Secretary of Defense is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such civilian personnel as may be necessary for the performance of the functions of the Department of Defense other than those of the Departments of the Army, Navy, and Air Force."

"CREATING THE POSITION OF CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND PRESCRIBING HIS POWERS AND DUTIES

"Sec. 7. (a) Section 210 of the National Security Act of 1947 is amended to read as follows:

"Sec. 210. There shall be within the Department of Defense an Armed Forces Policy Council composed of the Secretary of Defense, as Chairman, who shall have power of decision; the Deputy Secretary of Defense; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Chairman of the Joint Chiefs of Staff; the Chief of Staff, United States Army; the Chief of Naval Operations; and the Chief of Staff, United States Air Force. The Armed Forces Policy Council shall advise the Secretary of Defense on matters of broad policy relating to the armed forces and shall consider and report on such other matters as the Secretary of Defense may direct."

"(b) Section 211 of the National Security Act of 1947 is amended to read as follows:

"Sec. 211. (a) There is hereby established within the Department of Defense the Joint Chiefs of Staff, which shall consist of the Chairman, who shall be the presiding officer thereof but who shall have no vote; the Chief of Staff, United States Army, the Chief of Naval Operations; and the Chief of Staff, United States Air Force. The Joint Chiefs of Staff shall be the principal military advisers to the President, the National Security Council, and the Secretary of Defense.

"(b) Subject to the authority and direction of the President and the Secretary of Defense, the Joint Chiefs of Staff shall perform the following duties, in addition to such other duties as the President or the Secretary of Defense may direct:

"(1) preparation of strategic plans and provision for the strategic direction of the military forces;

"(2) preparation of joint logistic plans and assignment to the military services of logistic responsibilities in accordance with such plans;

"(3) establishment of unified commands in strategic areas;

"(4) review of major material and personnel requirements of the military forces in accordance with strategic and logistic plans;

"(5) formulation of policies for joint training of the military forces;

"(6) formulation of policies for coordinating the military education of members of the military forces; and

"(7) providing United States representation on the Military Staff Committee of the United Nations in accordance with the provisions of the Charter of the United Nations.

"(c) The Chairman of the Joint Chiefs of Staff (hereinafter referred to as the "Chairman") shall be appointed by the President, by and with the advice and consent of the Senate, from among the Regular officers of the armed services to serve at the pleasure of the President for a term of two years and shall be eligible for one reappoint-

ment, by and with the advice and consent of the Senate, except in time of war hereafter declared by the Congress when there shall be no limitation on the number of such reappointments. The Chairman shall receive the basic pay and basic and personal money allowances prescribed by law for the Chief of Staff, United States Army, and such special pays and hazardous duty pays to which he may be entitled under other provisions of law.

"(d) The Chairman, if in the grade of general, shall be additional to the number of officers in the grade of general provided in the third proviso of section 504 (b) of the Officer Personnel Act of 1947 (Public Law 381, Eightieth Congress) or, if in the rank of admiral, shall be additional to the number of officers having the rank of admiral provided in section 413 (a) of such Act. While holding such office he shall take precedence over all other officers of the armed services: *Provided*, That the Chairman shall not exercise military command over the Joint Chiefs of Staff or over any of the military services.

"(e) In addition to participating as a member of the Joint Chiefs of Staff in the performance of the duties assigned in subsection (b) of this section, the Chairman shall, subject to the authority and direction of the President and the Secretary of Defense, perform the following duties:

"(1) serve as the presiding officer of the Joint Chiefs of Staff;

"(2) provide agenda for meetings of the Joint Chiefs of Staff and assist the Joint Chiefs of Staff to prosecute their business as promptly as practicable; and

"(3) inform the Secretary of Defense and, when appropriate as determined by the President or the Secretary of Defense, the President, of those issues upon which agreement among the Joint Chiefs of Staff has not been reached."

"(c) Section 212 of the National Security Act of 1947 is amended to read as follows:

"Sec. 212. There shall be, under the Joint Chiefs of Staff, a Joint Staff to consist of not to exceed two hundred and ten officers and to be composed of approximately equal numbers of officers appointed by the Joint Chiefs of Staff from each of the three armed services. The Joint Staff, operating under a Director thereof appointed by the Joint Chiefs of Staff, shall perform such duties as may be directed by the Joint Chiefs of Staff. The Director shall be an officer junior in grade to all members of the Joint Chiefs of Staff."

"CHANGING RELATIONSHIP OF THE SECRETARY OF DEFENSE TO THE MUNITIONS BOARD

"Sec. 8. Section 213 of the National Security Act of 1947 is amended to read as follows:

"Sec. 213. (a) There is hereby established in the Department of Defense a Munitions Board (hereinafter in this section referred to as the "Board").

"(b) The Board shall be composed of a Chairman, who shall be the head thereof and who shall, subject to the authority of the Secretary of Defense and in respect to such matters authorized by him, have the power of decision upon matters falling within the jurisdiction of the Board and an Under Secretary or Assistant Secretary from each of the three military departments, to be designated in each case by the Secretaries of their respective departments. The Chairman shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$14,000 a year.

"(c) Subject to the authority and direction of the Secretary of Defense, the Board shall perform the following duties in support of strategic and logistic plans and in consonance with guidance in those fields provided by the Joint Chiefs of Staff, and such other duties as the Secretary of Defense may prescribe:

"(1) coordination of the appropriate activities with regard to industrial matters, including the procurement, production, and

distribution plans of the Department of Defense;

"(2) planning for the military aspects of industrial mobilization;

"(3) assignment of procurement responsibilities among the several military departments and planning for standardization of specifications and for the greatest practicable allocations of purchase authority of technical equipment and common use items on the basis of single procurement;

"(4) preparation of estimates of potential production, procurement, and personnel for use in evaluation of the logistic feasibility of strategic operations;

"(5) determination of relative priorities of the various segments of the military procurement programs;

"(6) supervision of such subordinate agencies as are or may be created to consider the subjects falling within the scope of the Board's responsibilities;

"(7) regrouping, combining, or dissolving of existing interservice agencies operating in the fields of procurement, production, and distribution in such manner as to promote efficiency and economy;

"(8) maintenance of liaison with other departments and agencies for the proper correlation of military requirements with the civilian economy, particularly in regard to the procurement or disposition of strategic and critical material and the maintenance of adequate reserves of such material, and making of recommendations as to policies in connection therewith; and

"(9) assembly and review of material and personnel requirements presented by the Joint Chiefs of Staff and by the production, procurement, and distribution agencies assigned to meet military needs, and making of recommendations thereon to the Secretary of Defense.

"(d) When the Chairman of the Board first appointed has taken office, the Joint Army and Navy Munitions Board shall cease to exist and all its records and personnel shall be transferred to the Munitions Board.

"(e) The Secretary of Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions."

"CHANGING THE RELATIONSHIP OF THE SECRETARY OF DEFENSE TO THE RESEARCH AND DEVELOPMENT BOARD"

"Sec. 9. Section 214 of the National Security Act of 1947 is amended to read as follows:

"Sec. 214. (a) There is hereby established in the Department of Defense a Research and Development Board (hereinafter in this section referred to as the "Board"). The Board shall be composed of a Chairman, who shall be the head thereof and who shall, subject to the authority of the Secretary of Defense and in respect to such matters authorized by him, have the power of decision on matters falling within the jurisdiction of the Board, and two representatives from each of the Departments of the Army, Navy, and Air Force, to be designated by the Secretaries of their respective Departments. The Chairman shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$14,000 a year. The purpose of the Board shall be to advise the Secretary of Defense as to the status of scientific research relative to the national security, and to assist him in assuring adequate provision for research and development on scientific problems relating to the national security.

"(b) Subject to the authority and direction of the Secretary of Defense, the Board shall perform the following duties and such

other duties as the Secretary of Defense may prescribe:

"(1) preparation of a complete and integrated program of research and development for military purposes;

"(2) advising with regard to trends in scientific research relating to national security and the measures necessary to assure continued and increasing progress;

"(3) coordination of research and development among the military departments, and allocation among them of responsibilities for specific programs;

"(4) formulation of policy for the Department of Defense in connection with research and development matters involving agencies outside the Department of Defense; and

"(5) consideration of the interaction of research and development and strategy, and advising the Joint Chiefs of Staff in connection therewith.

"(c) When the Chairman of the Board first appointed has taken office, the Joint Research and Development Board shall cease to exist and all its records and personnel shall be transferred to the Research and Development Board.

"(d) The Secretary of Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions."

"COMPENSATION OF SECRETARY OF DEFENSE, DEPUTY SECRETARY OF DEFENSE, SECRETARIES OF MILITARY DEPARTMENTS, AND CONSULTANTS"

"Sec. 10. (a) Section 301 of the National Security Act of 1947 is amended to read as follows:

"Sec. 301. (a) The Secretary of Defense shall receive the compensation prescribed by law for heads of executive departments.

"(b) The Deputy Secretary of Defense shall receive compensation at the rate of \$14,500 a year, or such other compensation plus \$500 a year as may hereafter be provided by law for under secretaries of executive departments. The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall each receive compensation at the rate of \$14,000 a year, or such other compensation as may hereafter be provided by law for under secretaries of executive departments."

"(b) Section 302 of the National Security Act of 1947 is amended to read as follows:

"Sec. 302. The Assistant Secretaries of Defense and the Under Secretaries and Assistant Secretaries of the Army, the Navy, and the Air Force shall each receive compensation at the rate of \$10,330 a year or at the rate hereafter prescribed by law for assistant secretaries of executive departments and shall perform such duties as the respective Secretaries may prescribe."

"(c) Section 303 (a) of the National Security Act of 1947 is amended to read as follows:

"(a) The Secretary of Defense, the Chairman of the National Security Resources Board, the Director of Central Intelligence, and the National Security Council, acting through its Executive Secretary, are authorized to appoint such advisory committees and to employ, consistent with other provisions of this Act, such part-time advisory personnel as they may deem necessary in carrying out their respective functions and the functions of agencies under their control. Persons holding other offices or positions under the United States for which they receive compensation, while serving as members of such committees, shall receive no additional compensation for such service. Other members of such committees and other part-time advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed \$50 for each day of service, as determined by the appointing authority."

"REORGANIZATION OF FISCAL MANAGEMENT TO PROMOTE ECONOMY AND EFFICIENCY"

"SEC. 11. The National Security Act of 1947 is amended by inserting at the end thereof the following new title:

"TITLE IV

"PROMOTION OF ECONOMY AND EFFICIENCY THROUGH ESTABLISHMENT OF UNIFORM BUDGETARY AND FISCAL PROCEDURES AND ORGANIZATIONS"

"Comptroller of Department of Defense"

"Sec. 401. (a) There is hereby established in the Department of Defense the Comptroller of the Department of Defense, who shall be one of the Assistant Secretaries of Defense.

"(b) The Comptroller shall advise and assist the Secretary of Defense in performing such budgetary and fiscal functions as may be required to carry out the powers conferred upon the Secretary of Defense by this Act, including but not limited to those specified in this subsection. Subject to the authority, direction, and control of the Secretary of Defense, the Comptroller shall—

"(1) supervise and direct the preparation of the budget estimates of the Department of Defense; and

"(2) establish, and supervise the execution of—

"(A) principles, policies, and procedures to be followed in connection with organizational and administrative matters relating to—

"(i) the preparation and execution of the budgets,

"(ii) fiscal, cost, operating, and capital property accounting,

"(iii) progress and statistical reporting,

"(iv) internal audit, and

"(B) policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense; and

"(3) establish uniform terminologies, classifications, and procedures in all such matters.

"MILITARY DEPARTMENT BUDGET AND FISCAL ORGANIZATION—DEPARTMENTAL COMPTROLLERS"

"Sec. 402. (a) The Secretary of each military department, subject to the authority, direction, and control of the Secretary of Defense, shall cause budgeting, accounting, progress and statistical reporting, internal audit and administrative organization structure and managerial procedures relating thereto in the department of which he is the head to be organized and conducted in a manner consistent with the operations of the Office of the Comptroller of the Department of Defense.

"(b) There is hereby established in each of the three military departments a Comptroller of the Army, a Comptroller of the Navy, or a Comptroller of the Air Force, as appropriate in the department concerned. There shall, in each military department, also be a Deputy Comptroller. Subject to the authority of the respective departmental Secretaries, the comptrollers of the military departments shall be responsible for all budgeting, accounting, progress and statistical reporting, and internal audit in their respective departments and for the administrative organization structure and managerial procedures relating thereto. The Secretaries of the military departments may in their discretion appoint either civilian or military personnel as comptrollers of the military departments. Departmental comptrollers shall be under the direction and supervision of, and directly responsible to, either the Secretary, the Under Secretary, or an Assistant Secretary of the respective military departments: *Provided*, That nothing herein shall preclude the comptroller from having concurrent responsibility to a Chief of Staff or a Chief of Naval Operations, a Vice Chief of Staff or a

Vice Chief of Naval Operations, or a Deputy Chief of Staff or a Deputy Chief of Naval Operations, if the Secretary of the military department concerned should so prescribe. Where the departmental comptroller is not a civilian, the Secretary of the department concerned shall appoint a civilian as Deputy Comptroller.

"PERFORMANCE BUDGET

"SEC. 403. (a) The budget estimates of the Department of Defense shall be prepared, presented, and justified, where practicable, and authorized programs shall be administered, in such form and manner as the Secretary of Defense, subject to the authority and direction of the President, may determine, so as to account for, and report, the cost of performance of readily identifiable functional programs and activities, with segregation of operating and capital programs. So far as practicable, the budget estimates and authorized programs of the military departments shall be set forth in readily comparable form and shall follow a uniform pattern.

"(b) In order to expedite the conversion from present budget and accounting methods to the cost-of-performance method prescribed in this title, the Secretary of each military department, with the approval of the President and the Secretary of Defense, is authorized and directed, until the end of the second year following the date of enactment of this Act, to make such transfers and adjustments within the military department of which he is the head between appropriations available for obligation by such department in such manner as he deems necessary to cause the obligation and administration of funds and the reports of expenditures to reflect the cost of performance of such programs and activities. Reports of transfers and adjustments made pursuant to the authority of this subsection shall be made currently by the Secretary of Defense to the President and the Congress.

"OBLIGATION OF APPROPRIATIONS

"SEC. 404. In order to prevent overdrafts and deficiencies in any fiscal year for which appropriations are made, on and after the beginning of the next fiscal year following the date of enactment of this Act appropriations made to the Department of Defense or to the military departments, and reimbursements thereto, shall be available for obligation and expenditure only after the Secretary of Defense shall approve scheduled rates of obligation, or modifications thereof: *Provided*, That nothing in this section shall affect the right of the Department of Defense to incur such deficiencies as may be now or hereafter authorized by law to be incurred.

"WORKING-CAPITAL FUNDS

"SEC. 405. (a) In order more effectively to control and account for the cost of programs and work performed in the Department of Defense, the Secretary of Defense is authorized to require the establishment of working-capital funds in the Department of Defense for the purpose of—

"(1) financing inventories of such stores, supplies, materials, and equipment as he may designate; and

"(2) providing working capital for such industrial-type activities, and for such commercial-type activities as provide common services within or among the departments and agencies of the Department of Defense, as he may designate.

"(b) The Secretary of the Treasury is authorized and directed to establish on the books of the Treasury Department at the request of the Secretary of Defense the working-capital funds established pursuant to the authority of this section.

"(c) Such funds shall be—

"(1) charged, when appropriate, with the cost of stores, supplies, materials, and equipment procured or otherwise acquired, manu-

factured, repaired, issued, and consumed and of services rendered or work performed, including applicable administrative expenses; and

"(2) reimbursed from available appropriations or otherwise credited for the cost of stores, supplies, materials, or equipment furnished and of services rendered or work performed, including applicable administrative expenses.

"Reports of the condition and operations of such funds shall be made annually to the President and to the Congress.

"(d) The Secretary of Defense is authorized to provide capital for such working-capital funds by capitalizing inventories on hand and, with the approval of the President, by transfer, until December 31, 1954, from unexpended balances of any appropriations of the military departments not carried to the surplus fund of the Treasury: *Provided*, That no deficiency shall be incurred in any such appropriation as a result of any such transfer. To the extent that such methods do not, in the determination of the Secretary of Defense, provide adequate amounts of working capital, there is hereby authorized to be appropriated, out of any moneys in the Treasury not appropriated for other purposes, such sums as may be necessary to provide adequate working capital.

"(e) Subject to the authority and direction of the Secretary of Defense, the Secretaries of the military departments shall allocate responsibility within their respective military departments for the execution of functions which each military department is authorized by law to perform in such a manner as to effect the most economical and efficient organization and operation of the activities and use of the inventories for which working-capital funds are authorized by this section.

"(f) No greater cost shall be incurred by the requisitioning agency for stores, supplies, materials, or equipment drawn from inventories, and for services rendered or work performed by the industrial-type or commercial-type activities for which working-capital funds are authorized by this section, than the amount of appropriations or funds available for such purposes.

"(g) The Secretary of Defense is authorized to issue regulations to govern the operation of activities and use of inventories authorized by this section, which regulations may, whenever he determines the measures set forth in this subsection to be required by the needs of the Department of Defense, and when such measures are authorized by law, permit stores, supplies, materials, and equipment to be sold to, and services to be rendered or work performed for, purchasers or users outside the Department of Defense. In such cases, the working-capital funds involved may be reimbursed by charges against appropriate appropriations or by payments received in cash.

"(h) The appraised value of all stores, supplies, materials, and equipment returned to such working-capital funds from any department, activity, or agency, may be charged to the working-capital fund concerned and the proceeds thereof shall be credited to the current appropriations concerned; the amounts so credited shall be available for expenditures for the same purposes as the appropriations credited: *Provided*, That the provisions of this subsection shall not permit credits to appropriations as the result of capitalization of inventories authorized by subsection (d) of this section.

"MANAGEMENT FUNDS

"SEC. 406. The Act of July 3, 1942 (56 Stat. 645, c. 484), as amended, is hereby further amended to read as follows:

"(a) For the purpose of facilitating the economical and efficient conduct of operations in the Department of Defense which are financed by two or more appropriations

where the costs of the operations are not susceptible of immediate distribution as charges to such appropriations, there are hereby established the Navy management fund, the Army management fund, and the Air Force management fund, each within, and under the direction of the respective Secretaries of, the Departments of the Navy, Army, or Air Force, as the case may be. There are authorized to be appropriated from time to time such funds as may be necessary to accomplish the purposes of the funds.

"(b) The corpus of the Navy Management Fund shall consist of the sum of \$1,000,000 heretofore transferred to the Naval Procurement Fund from the Naval Emergency Fund (17X0300), which amount, and all balances in, and obligations against, any accounts in the Naval Procurement Fund, are hereby transferred to the Navy Management Fund; the corpus of the Army Management Fund shall consist of the sum of \$1,000,000, which shall be transferred thereto from any unobligated balance of any appropriation available to the Department of the Army; the corpus of the Air Force Management Fund shall consist of the sum of \$1,000,000, which shall be transferred thereto from any unobligated balance of any appropriation available to the Department of the Air Force; in each case together with such additional funds as may from time to time be appropriated to any of said funds. Accounts for the individual operations to be financed under the respective management funds shall be established only upon approval by the Secretary of Defense.

"(c) Expenditures may be made from said management funds from time to time for material (other than material for stock) and for personal and contractual services under such regulations as may be prescribed by the Secretary of Defense: *Provided*, (1) That no obligation shall be incurred against any such fund which is not properly chargeable to available funds under an appropriation of the department within which the fund is established, or, whenever necessary to effectuate purposes authorized by this Act to funds of another department or agency within the Department of Defense, and (2) that each fund shall be promptly reimbursed from the appropriate appropriations of such department for all expenditures properly chargeable thereto. Nothing herein or in any other provision of law shall be construed to prevent advances by check or warrant, or reimbursements to any of said management funds from appropriations of said departments on the basis of the estimated cost of a project, such estimated cost to be revised and necessary appropriation adjustments made when adequate data become available.

"(d) Except as otherwise provided by law, amounts advanced to the management funds under the provisions of this Act shall be available for obligation only during the fiscal year in which they are advanced: *Provided*, That nothing contained in this Act shall alter or limit the authorized period of availability of the funds from which such advances are made. Final adjustments of advances in accordance with actual costs shall be effected with the appropriate funds for the fiscal year in which such funds are advanced.

"(e) The portion of the Naval Appropriation Act, 1945 (58 Stat. 301, 310), relating to the Naval Procurement Fund is hereby repealed."

"ADJUSTMENT OF ACCOUNTS

"SEC. 407. (a) When under authority of law a function or an activity is transferred or assigned from one department or agency within the Department of Defense to another such department or agency, the balances of appropriations which are determined by the Secretary of Defense to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be

transferred to, and be available for use by, the department or agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account, or accounts, which are hereby authorized to be established on the books of the Treasury Department, of the department or organization to which such function or activity is transferred, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund. Balances transferred to existing accounts shall be subject only to such limitations as are specifically applicable to such accounts and those transferred to new accounts shall be subject only to such limitations as are applicable to the appropriations from which they are transferred.

"(b) The number of employees which in the opinion of the Secretary of Defense is required for such transferred functions or activities may, with the approval of the Director of the Bureau of the Budget, be deducted from any personnel maximum or limitation of the department or agency within the Department of Defense from which such function or activity is transferred, and added to any such personnel maximum or limitation of the department or agency to which such function or activity is transferred.

"AVAILABILITY OF REIMBURSEMENTS

"SEC. 408. To carry out the purposes of this Act, reimbursements made under the authority of the Economy Act (31 U. S. C. 686), and sums paid by or on behalf of personnel of any department or organization for services rendered or supplies furnished, may be credited to authorized replacing or other accounts. Funds credited to such accounts shall remain available for obligation for the same period as the funds in the account so credited and each such account shall constitute one fund on the books of the Treasury Department.

"COMMON USE OF DISBURSING FACILITIES

"SEC. 409. To the extent authorized by the Secretary of Defense, disbursing officers of the Departments of the Army, Navy, and Air Force may, out of accounts of advances available to them, make disbursements covering obligations arising in connection with any function or activity of any other department or organization within the Department of Defense and charge upon vouchers the proper appropriation or appropriations of the other department or organization: *Provided*, That all said expenditures shall subsequently be adjusted in settlement of disbursing officers' accounts.

"REPORTS OF PROPERTY

"SEC. 410. The Secretary of Defense shall cause property records to be maintained in the three military departments, so far as practicable, on both a quantitative and monetary basis, under regulations which he shall prescribe. Such property records shall include the fixed property, installations, and major items of equipment as well as the supplies, materials, and equipment held in store by the armed services. The Secretary shall report annually thereon to the President and to the Congress.

"REPEALING AND SAVING PROVISIONS

"SEC. 411. All laws, orders, and regulations inconsistent with the provisions of this title are repealed insofar as they are inconsistent with the powers, duties, and responsibilities enacted hereby: *Provided*, That the powers, duties, and responsibilities of the Secretary of Defense under this title shall be administered in conformance with the policy and requirements for administration of budgetary and fiscal matters in the Government generally, including accounting and

financial reporting, and that nothing in this title shall be construed as eliminating or modifying the powers, duties, and responsibilities of any other department, agency, or officer of the Government in connection with such matters, but no such department, agency, or officer shall exercise any such powers, duties, or responsibilities in a manner that will render ineffective the provisions of this title."

"MISCELLANEOUS AND TECHNICAL AMENDMENTS AND SAVING PROVISIONS

"SEC. 12. (a) The National Security Act of 1947 is amended by striking out the term 'National Military Establishment', wherever it appears in such Act, and inserting in lieu thereof 'Department of Defense'.

"(b) Section 207 (a) of the National Security Act of 1947 is amended to read as follows:

"SEC. 207. (a) Within the Department of Defense there is hereby established a military department to be known as the Department of the Air Force, and the Secretary of the Air Force who shall be the head thereof. The Secretary of the Air Force shall be appointed from civilian life by the President by and with the advice and consent of the Senate."

"(c) Section 207 (b) of the National Security Act of 1947 is repealed.

"(d) The first sentence of section 208 (a) of the National Security Act of 1947 is amended by striking out the word 'under' and inserting in lieu thereof the word 'within'.

"(e) Section 303 (b) of the National Security Act of 1947 is amended to read as follows:

"(b) As used in this Act, the term 'Department of Defense' shall be deemed to include the military departments of the Army, the Navy, and the Air Force, and all agencies created under title II of this Act."

"(f) The titles of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Under Secretaries and the Assistant Secretaries of the Departments of the Army, Navy, and Air Force, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board, shall not be changed by virtue of this Act, and the reappointment of the officials holding such titles on the effective date of this Act shall not be required. It is hereby declared to be the intention of Congress that section 203 (a) of the National Security Act of 1947, as amended by section 6 of this Act, shall not be deemed to have created a new office of Deputy Secretary of Defense but shall be deemed to have continued in existence, under a new title, the Office of Under Secretary of Defense which was established by the Act entitled 'An Act to amend the National Security Act of 1947 to provide for an Under Secretary of Defense', approved April 2, 1949 (Public Law 36, Eighty-first Congress). The title of the official holding the Office of Under Secretary of Defense on the effective date of this Act shall be changed to Deputy Secretary of Defense and the reappointment of such official shall not be required.

"(g) All laws, orders, regulations, and other actions relating to the National Military Establishment, the Departments of the Army, the Navy, or the Air Force, or to any officer or activity of such establishment or such departments, shall, except to the extent inconsistent with the provisions of this Act, have the same effect as if this Act had not been enacted; but, after the effective date of this Act, any such law, order, regulation, or other action which vested functions in or otherwise related to any officer, department, or establishment, shall be deemed to have vested such function in or relate to the officer or department, executive or military, succeeding the officer, department, or establishment in which such function was vested. For purposes of this subsection the

Department of Defense shall be deemed the department succeeding the National Military Establishment, and the military departments of Army, Navy, and Air Force shall be deemed the departments succeeding the Executive Departments of Army, Navy, and Air Force.

"(h) Section 208 (e) of the National Security Act of 1947 is amended by substituting the word 'three' for the word 'two' appearing therein.

"(i) Reorganization Plan Numbered 8 of 1949, which was transmitted to the Congress by the President on July 18, 1949, pursuant to the provisions of the Reorganization Act of 1949, shall not take effect, notwithstanding the provisions of section 6 of such Reorganization Act of 1949."

And the Senate agree to the same.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
LESLIE C. ARENDTS,
GEORGE J. BATES,

Managers on the Part of the House.

MILLARD E. TYDINGS,
RICHARD B. RUSSELL,
VIRGIL M. CHAPMAN,
STYLES BRIDGES,
CHAN GURNEY,
LEVERETT SALTONSTALL,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

The House passed H. R. 5632 relating exclusively to fiscal and budgetary procedures and organizations in the National Military Establishment. The Senate amended H. R. 5632 by striking all out after the enacting clause and inserting in lieu thereof the provisions of S. 1843, a bill previously passed by the Senate relating to the entire subject of unification, including the fiscal and budgetary matters encompassed in H. R. 5632, on which Senate bill the House Committee on Armed Services had conducted extensive hearings.

SHORT TITLE

The Senate amendment prescribed a short title for the legislation, as follows: "National Security Act Amendments of 1949." The House bill contained no comparable provision. The conference agreement adopts the provisions of the Senate amendment.

STATEMENT OF POLICY

The conference agreement repeats the declaration of policy in the 1947 act, with amendments (1) that the military departments shall be "separately administered," (2) that the military departments shall be under the direction "of the Secretary of Defense," and (3) that there shall not be established "a single Chief of Staff over the armed forces nor an armed forces general staff."

NATIONAL SECURITY COUNCIL

The Senate amendment (1) added the Vice President to the National Security Council, (2) removed the Secretaries of the military departments, (3) authorized the President to add Executive Department Secretaries and Under Secretaries, and (4) authorized the President to add any other officials in the executive branch when confirmed therefor by the Senate. The House bill contained no comparable provisions. The conference agreement adds the Vice President to the

Council, removes the Secretaries of the military departments, and authorizes the President to add, with Senate consent, Secretaries and Under Secretaries of other executive departments and of the military departments, and the Chairmen of the Munitions Board and the Research and Development Board.

DEPARTMENT OF DEFENSE

The Senate amendment converted the National Military Establishment into an executive department and converted the Departments of Army, Navy, and Air Force from executive departments into military departments without executive-department status. The House bill contained no comparable provision. The conference agreement accepts the Senate amendment with a minor, corrective change.

SECRETARY OF DEFENSE

The Senate amendment provided that the Secretary of Defense shall (1) be the principal assistant to the President in all matters relating to the national security, (2) be responsible for exercising direction, authority, and control over the Department of Defense (3) establish policies and programs for the Department of Defense, (4) exercise direction, authority, and control over the affairs of the Department of Defense, (5) take steps to eliminate unnecessary duplication and overlapping in such fields as he may deem proper, (6) perform the functions of the head of an executive department under title II of the Budget and Accounting Act of 1921, as amended, (7) delegate his functions to other officials or organizational entities of the Department without relieving himself of the responsibility therefor, and (8) transfer officers between the armed services when the affected military departments and the officer concerned consented thereto. The Senate amendment also provided that the Secretary of Defense could not reassign the combatant functions assigned to the military departments, that he could not make transfers, details or assignments of military personnel in a manner that would substantially affect or change the combatant functions, and that the military departments must be administered by their respective Secretaries under the control of the Secretary of Defense. The Senate amendment further amended existing law by deleting provisos giving the Secretaries of the military departments direct access to the Director of the Budget and the President and reserving to the departments all powers not expressly delegated to the Secretary of Defense. The House bill contained no comparable provisions. The conference agreement provides that the Secretary of Defense (1) shall be the principal assistant to the President in all matters relating to the Department of Defense and (2) shall have direction, authority, and control over the Department of Defense. The conference agreement further provides (1) that the combatant functions assigned by law to the respective military services shall not be transferred, reassigned, abolished, or consolidated; (2) that military personnel shall not be so detailed or assigned as to impair such combatant functions; (3) that department funds shall not be so used or expended as to effect the results prohibited in (1) and (2) above; (4) that the military departments shall be separately administered by their respective Secretaries; (5) that department functions authorized by law shall not be substantially transferred, reassigned, abolished, or consolidated until after the rendering of a report to the Committees on Armed Services; (6) that the act shall not be construed to prevent a military department Secretary or a member of the Joint Chiefs of Staff from presenting to the Congress, on his own initiative, after first so informing the Secretary of Defense, any recommendation relating to the Department of Defense that he may deem proper. The conference agreement provides further that the Secretary

shall render semiannual reports to the President and the Congress, which reports shall contain, among other matters, itemized statements of the savings and eliminations of unnecessary duplications and overlappings accomplished pursuant to the act, and that the Secretary may delegate his functions without being relieved of his responsibility therefor. The conference agreement further provides that the authority to effect transfers of personnel between the Army and the Air Force shall be extended for an additional year.

DEPUTY SECRETARY OF DEFENSE

The Senate amendment changed the title of the Under Secretary of Defense to Deputy Secretary of Defense and gave him precedence over the military department Secretaries. The House bill contained no comparable provisions. The conference agreement conforms to Senate language except that the Deputy Secretary is given precedence in the Department of Defense next after the Secretary of Defense.

ASSISTANT SECRETARIES OF DEFENSE

The Senate amendment reiterated existing law providing three special assistants for the Secretary of Defense. The House bill contained no comparable provisions. The conference agreement establishes three Assistant Secretaries of Defense (one of whom shall be the Comptroller of the Department of Defense) in lieu of the special assistants, with precedence after the Secretaries of the military departments.

MILITARY STAFF FOR THE SECRETARY OF DEFENSE

The Senate amendment provided that the Joint Chiefs of Staff and the Joint Staff would be military staffs of the Secretary of Defense. The House bill contained no comparable provision. The conference agreement provides that the Joint Chiefs of Staff shall be the military staff of the Secretary of Defense.

CIVILIAN PERSONNEL

The Senate amendment authorized the Secretary of Defense, subject to civil-service laws and the Classification Act of 1923, to appoint and fix the compensation of civilian personnel required by the Department of Defense. The House bill contained no comparable provision. The conference agreement authorized the Secretary to appoint and fix the compensation of civilian personnel other than those in the military departments.

ARMED FORCES POLICY COUNCIL

The Senate amendment amended existing law pertaining to the War Council by adding as a member the Chairman of the Joint Chiefs of Staff. The House bill contained no comparable provision. The conference agreement changes the title of the War Council to Armed Forces Policy Council, and adds as members the Deputy Secretary of Defense and the Chairman of the Joint Chiefs of Staff.

CHAIRMAN OF THE JOINT CHIEFS OF STAFF

The Senate amendment established a Regular officer Chairman of the Joint Chiefs of Staff as the head thereof without a vote, appointed by the President, with Senate consent, for a 2-year term, subject to one reappointment in time of peace and to an unlimited number of reappointments in time of war. The Senate amendment further provided that the Chairman would have precedence, without military command, over all other officers of the armed services, that the Chairman, as such, should be the principal military adviser to the President and the Secretary of Defense, that he should perform such other duties prescribed by the President and Secretary of Defense, and that he should receive the highest pay authorized by law for a Chief of service. The House bill contained no comparable provisions. The conference agreement establishes a Chairman

as the presiding officer, without a vote, of the Joint Chiefs of Staff, appointed by the President, with Senate consent, for a 2-year term, subject to one reappointment, with Senate consent, in time of peace, and to an unlimited number of reappointments in time of war. The conference agreement further provides that the Chairman shall have precedence, without military command, over all other officers of the armed services, that the Joint Chiefs of Staff shall be the principal military advisers to the President, the National Security Council, and the Secretary of Defense, that the duties of the Chairman shall be to serve as presiding officer in meetings of the Joint Chiefs of Staff, provide their agenda and expedite their business, inform the Secretary of Defense and the President, when necessary, of the issues upon which the Joint Chiefs of Staff fail to agree, and perform other duties as prescribed by the President or the Secretary of Defense. The conference agreement further provides that the Chairman, if a general or an admiral, shall be in addition to the present authorized number of generals or admirals, and that he shall receive the pay of the Army Chief of Staff plus such other special and hazardous duty pays to which he may be entitled.

DIRECTOR OF THE JOINT STAFF

The Senate amendment amended existing law by providing for Secretary of Defense approval of the appointment of the Director of the Joint Staff, and by increasing the Joint Staff from 100 to 210. The House bill contained no comparable provisions. The conference agreement provides for 210 officers on the Joint Staff and for the appointment of the Director by the Joint Chiefs of Staff.

MUNITIONS BOARD AND RESEARCH AND DEVELOPMENT BOARD

The Senate amendment vested the duties of the Boards in the Secretary of Defense and authorized the Chairmen, after consultation with the Boards and when prescribed by the Secretary, to perform such duties as the Secretary might prescribe. The House bill contained no comparable provisions. The conference agreement fixes the duties of the Boards in the Boards and gives the Chairmen the power of decision in respect to such matters authorized by the Secretary of Defense.

COMPENSATION

The Senate amendment amended existing law by prescribing (1) that the Deputy Secretary of Defense shall receive \$14,500 a year and (2) that the Secretaries of the military departments shall receive \$14,000 a year. The House bill contained no comparable provisions. The conference agreement amends existing law by prescribing (1) that the Deputy Secretary shall receive \$14,500 a year or the compensation hereafter fixed by law for under secretaries of executive departments plus \$500 a year, (2) that the military department Secretaries shall receive compensation at the rate of \$14,000 a year or the compensation hereafter fixed by law for under secretaries of executive departments, and (3) that the Assistant Secretaries of Defense and the Under and Assistant Secretaries of the military departments shall receive \$10,330 a year or the compensation hereafter fixed by law for assistant secretaries of executive departments.

CONSULTANTS

The Senate amendment amended existing law by authorizing not to exceed \$50 a day in place of not to exceed \$35 a day for members of advisory committees and part-time advisory personnel appointed by the Secretary of Defense, the Chairman of the National Security Resources Board, the Director of Central Intelligence, and the National Security Council. The House bill contained no comparable provision. The conference

agreement conforms to the language of the Senate amendment.

FISCAL PROVISIONS

The House bill established new budgetary and fiscal procedures and organizations in the National Military Establishment, and established a Comptroller in the Office of the Secretary of Defense and in each of the military departments. The Senate amendment contained comparable provisions and also the following provisions not included in the House bill: (1) Authority for the Secretary of Defense, with Presidential approval, to transfer and adjust appropriations within military departments so as to increase or decrease such appropriations by not more than 5 percent; (2) a requirement that no request for legislation authorizing appropriations for the military departments shall be transmitted to the Bureau of the Budget, the President, or the Congress without prior approval of the Secretary of Defense; (3) authority for the President to incur deficiencies to the extent that he may direct to meet requirements of the national interest or security which he may declare. The conference agreement conforms to the provisions of the House bill in these respects.

REORGANIZATION ACT

The conference agreement provides that, in view of the reorganization accomplished by this legislation, the President's Reorganization Plan No. 8, dated July 15, 1949, shall not take effect.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
DEWEY SHORT,
LESLIE C. ARENDS,
GEORGE J. BATES,

Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I hope every Member of the House will listen closely to what I have to say, because this is a very important piece of legislation.

I bring to the House a conference report that contains a very sound approach to the problems of unification.

Now, here is what the situation was in conference.

Last July 15 the House passed H. R. 5632. This bill contained only fiscal and budgetary provisions involving the National Military Establishment.

The Senate struck out all after the enacting clause of the House bill. It substituted therefor the provisions of the Senate unification bill as passed by the Senate on May 26. The Senate bill covered the entire question of unification, including the fiscal matters contained in the House bill.

Now, the House Committee on Armed Services held over 40 days of hearings on the Senate unification bill. The committee was in the process of voting out its version of that bill on July 12 when a decision was made at the last minute to postpone further action until the committee investigated the B-36 procurement program and related matters.

So what we took with us to conference was not only the Senate bill on all of unification and the House bill on the fiscal matters only; we also had the benefit of the House committee's final version of unification as it was on July 12 when the committee had planned to report it to the House.

Let me say now that this conference agreement contains almost verbatim the

provisions of the House committee's Committee Print No. 2. So I believe the House conferees fared adequately in conference.

Now I will explain the conference report. These are the major items:

First, the powers of the Secretary of Defense.

Second, the Chairman of the Joint Chiefs of Staff.

Third, the conversion of the National Military Establishment into a Department of Defense.

I will not touch on the budgetary matters again now, since we dealt with that in our consideration of the House bill a few days ago. However, it is pertinent to say that the conferees agreed to the position of the House conferees in respect to these budgetary and fiscal matters, and took almost verbatim the provisions of H. R. 5632 as passed by the House a few days ago.

Now I ask the Members of the House to turn to section 5 of the conference report which is headed by the caption "The Secretary of Defense."

Subsection (a) repeats existing law, which provides that the Secretary of Defense will be appointed from civilian life with the consent of the Senate. Then in subsection (b) we say that the Secretary shall be the "principal assistant to the President in all matters relating to the Department of Defense."

The Senate receded to the views of the House conferees on this point. The Senate bill and existing law state that the Secretary shall be the President's principal assistant "in all matters relating to the national security." In our committee print we changed the "national security" to the "Department of Defense." The Senate receded. Obviously the Secretary of Defense is not the President's principal adviser in all matters related to the national security. The way the Senate had it, and the way it has been in existing law, the Secretary of State, the Chairman of the National Security Resources Board, the Director of the Central Intelligence Agency, the Federal Bureau of Investigation, and the other instruments of government which are involved as much in the national security as is the Secretary of Defense, were all left out.

Then the legislation provides that within certain limitations, which I will explain in just a minute, the Secretary of Defense "shall have direction, authority, and control over the Department of Defense."

This provision had the approval of the House committee and was in the Senate bill as well. It is endorsed by the Hoover Commission, the Eberstadt task force, the Secretary of Defense, and the President.

This sentence giving the Secretary direction, authority, and control is the heart of this legislation. I maintain that it does not give him more power than he has under existing law. What it does, however, is to clarify that power. No longer can there be any doubt that the Congress wants the Secretary of Defense to run the Department of Defense. In order that there can be no doubt as to what direction, authority, and control

mean, I want to give you the definition of those words as contained in the third edition of Black's Law Dictionary.

"Direction" means "the act of governing, management, superintends."

"Authority" means "legal power; a right to command or act; the right and power of public office to require obedience to their orders lawfully issued in the scope of their public duties."

"Control" means "power or authority to manage, direct, superintend, restrict, regulate, direct, govern, administer, or oversee."

So under this law the Secretary of Defense is to have clear-cut authority to run the Department of Defense.

But in order to prevent any possibility of abuse of this vast power over our huge national defense program, the conferees wrote in certain limitations on the Secretary's authority, direction, and control. What we tried to do was to see to it that the Congress is kept in the picture and that the Secretary shall not take certain actions in certain fields in which the Congress has particular interest.

Our first limitation on the Secretary's power is this:

Notwithstanding any other provision of this act, the combatant functions assigned to the military services by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof shall not be transferred, reassigned, abolished, or consolidated.

Now, this limitation on the Secretary specifically prevents him from taking any combatant function assigned to the Army, Navy, or Air Force and abolishing it, transferring it, consolidating it, or reassigning it. So he cannot abolish the Marine Corps. He cannot transfer marine aviation to the Air Force. He cannot put naval aviation into the Air Force. He cannot put the marines in the Army.

This provision was in substance in the Senate bill, but the House committee had rewritten it to tighten the language, and the Senate took the House committee version.

Next, we provide that military personnel shall not be so detailed or assigned as to impair such combatant functions. This means that the Secretary cannot do indirectly what we have prohibited him from doing directly. In other words, the Secretary cannot detail all marines to the Army, because that would violate the restriction we imposed in the limitation I have just discussed. But he can detail military personnel to perform activities with other services when this does not impair the combatant functions.

I want to point out here to the House that the Secretary cannot under any circumstances transfer military personnel from one military service to another. So he cannot merge the military personnel. The Senate bill permitted such transfers. On this point the Senate receded.

Next, we specifically provide that the Secretary shall not use the funds of the Department to effect the results we have prohibited otherwise. In other words, he is prevented from starving the marines to death, or by withholding funds, from putting naval aviation out of business. The provision was recommended by the

President himself in his Reorganization Plan No. 8, and it was proposed in conference by the House conferees. It carries out the thought that the Secretary, although given the power to run the Department, shall not have the power to take action specifically contrary to the desires of the Congress in given fields.

Next, we tell the Secretary that he cannot substantially transfer, reassign, abolish, or consolidate any function of the Department of Defense which has been or is hereafter authorized by law until after he reports thereon to the Committees on Armed Services of the Congress.

Now, this is a very important limitation. Its purpose is to keep the Congress in the picture. Its purpose is to insure that before the Secretary so acts as to substantially affect or modify any statutory function of the Department of Defense, which includes the military departments, he must first tell the Armed Services Committees what he is going to do.

This is in line with the Legislative Reorganization Act of 1946, which imposes on the standing committees a "watch-dog" function over the departments. So far as I am concerned, I trust the Secretary of Defense will construe this provision very closely so as to keep the Armed Services Committees fully advised. It is our intent that the Congress should be brought in on some of these matters before the Members read about them in the press or hear about them over the radio.

And if the Secretary proposes to accomplish things with which the Congress is not in sympathy, this provision insures that the Congress will have the opportunity to express its disapproval before the act is committed.

This provision was proposed by the House conferees. The Senate receded.

Next, the House conferees proposed, and the Senate accepted, a provision that the Secretaries of the military departments and the members of the Joint Chiefs of Staff can, on their own initiative, advise the Congress at any time of any recommendation relating to the Department of Defense that they may deem proper. The purpose of this provision is obvious. It is to insure that the vast responsibilities imposed upon these important administrative and professional heads are not handled cavalierly by the Secretary of Defense. Its purpose is to insure that if one of these important officials, the scope of whose responsibilities is greater than that of any other department head in the Government except the Secretaries of State and Defense, takes serious exception to action proposed by the Secretary of Defense, he cannot be prohibited from advising the Congress of his objections.

So what we are doing by this provision is simply to insure that the Secretaries of the military departments and the members of the Joint Chiefs of Staff will be free to answer questions before appropriate committees of the Congress. It leaves them free to give the committees, without fear of retribution in the

Department of Defense, their personal views as to the effect any particular legislative or administrative action will have on the armed forces. Without such a provision we cannot legislate responsibly. Without such a provision the Congress cannot be kept in the picture and cannot perform its Constitution-imposed responsibility to provide for the common defense in view of the vast power over the armed forces held by the Secretary of Defense.

Next, we require the Secretary of Defense to report to the Congress semi-annually instead of annually as provided in existing law. Moreover, we require the Secretary to submit separate reports from the military departments. And then, we require that he itemize the savings made under unification and explain what duplications and overlappings have been eliminated within the Department of Defense under the Unification Act.

There have been statements that from \$500,000,000 to \$2,000,000,000 or \$3,000,000,000 will be saved through these changes in the unification law. Secretary of Defense Johnson, in particular, forecast a saving of \$1,000,000,000 within a year from the date of enactment of this law, and a saving of \$1,500,000,000 within 18 months from that date.

The purpose of the provision I have just mentioned is to insure that the Congress may know just what those savings are.

And here I want to invite the attention of the House to the sharp distinction between savings and reductions. The purpose of our provision in this law is not to obtain a list of reductions in appropriations, but to find out precisely how unification saves public funds as it has been advertised.

By savings we mean that without reducing the armed strength of the United States, less money will be required. By savings we mean that the same results can be achieved at less cost to the taxpayer. By savings we do not mean the closing of a navy yard at Charleston or Philadelphia unless such a closing still leaves the fleet adequately supported and the other navy yards' strength is not correspondingly increased. By savings we do not mean a reduction in the strength of military personnel or civilian personnel unless it leaves the armed forces capable of performing the same military missions they could support previous to such reductions.

I emphasize this point because, like all other Members of the House, I am anxious for substantial savings in the National Military Establishment. I think reductions can be made in many instances, and that this is a responsibility of the Congress as well as of the Secretary of Defense. But what we are told, and what we wish to know about as a result of this law, is precisely how unification can produce the same military results for far less money.

I certainly hope it can be done. But unlike many of my colleagues, and unlike many people downtown, I will not speculate on the extent to which such savings can be made.

Now let me tell you about the Chairman of the Joint Chiefs of Staff.

Naturally, this subject was controversial in both the House and Senate committees, because of the fear of a single Chief of Staff and of possible military dictatorship in the country.

Mr. Hoover and Mr. Eberstadt were particularly concerned about the Chairman of the Joint Chiefs of Staff. They wanted a Chairman, and recommended one, but they wanted his duties clearly defined and wanted it made clear in the law that he was not to be a single Chief of Staff.

The Senate proposed that this Chairman would be the principal military adviser to the President and the Secretary of Defense. Even though the Senate specified that the Chairman had to function as such when serving as the principal military adviser, nevertheless it was quite evident that had the Senate language been retained, the country would have had a de facto Chief of Staff over the armed services.

In respect to the Chairman, I am pleased to advise the House that the Senate took the language proposed by the House conferees with only the change that the Chairman shall not have the right to vote in the proceedings of the Joint Chiefs of Staff.

What the bill provides now is this:

First, the Chairman is appointed from among the Regular officers. In other words, he will be a career military man.

Second, he must be confirmed by the Senate.

Third, he will serve for a 2-year term but may have his term extended in time of peace by one additional term which also must have Senate confirmation.

Further, we provide that the Chairman shall be a nonvoting presiding officer of the Joint Chiefs of Staff, instead of the head as the Senate had proposed.

Fifth, we give the Chairman the pay and allowances of the Chief of Staff, and we give him precedence over the Joint Chiefs of Staff. The effect of this is to make the Chairman the foremost officer in the armed forces. He will precede the Joint Chiefs of Staff at all functions and will sit at the head of the table at the meetings of the Joint Chiefs of Staff. And by giving him the pay of the Joint Chiefs of Staff, we make it a desirable office for any member of the Joint Chiefs of Staff to seek.

Sixth, we spell out the duties of the Chairman, a point on which the Senate again receded.

We specify that the Chairman will serve as presiding officer of the Joint Chiefs of Staff—that he will provide the agenda for the meetings and see that their business is promptly prosecuted—and then, that he will advise the Secretary of Defense and also the President when necessary of the issues on which the Joint Chiefs of Staff are in disagreement.

Now, the most important provision of all of these is the language proposed by the House conferees that all of the Joint Chiefs of Staff as a body, including the Chairman, shall be the principal military advisers to the President, the National

Security Council, and the Secretary of Defense.

Our idea here was to make it certain that not the Chairman alone, as the Senate bill provided in substance, but all of the Joint Chiefs of Staff, shall be the principal military advisers. By this device we are trying as nearly as we can to prevent a single Chief of Staff concept from developing in the Pentagon or in the White House.

To tie this point down, the House conferees proposed that the declaration of congressional policy in the National Security Act be amended to provide that the Congress does not intend "to establish a single Chief of Staff over the armed forces nor an armed forces general staff."

We cannot make it any clearer than this as to what our intention is.

What we have provided is a man who will expedite the business of the Joint Chiefs of Staff and preside at their meetings. We intend nothing more, and we do not want him to be anything more than that. I believe we have tied the point down as tightly as we can in law. Happily, the Senate agreed fully with the House conferees.

The last major point I can discuss in this limited time is the conversion of the National Military Establishment into an executive department.

The Hoover Commission, in its report to the Congress, Secretary Forrestal, in his testimony before the Senate Committee on Armed Services, the present Secretary of Defense, Louis Johnson, and the President all have urged that the National Military Establishment be converted into a Department of Defense. Only Mr. Eberstadt's Task Force Report recommended against it. And, although it may be said that the Hoover Commission did not specifically recommend this conversion, what it did recommend was far more than this legislation provides. It was recommended by that Commission that all of the statutory authority now vested in the military departments be vested in the Secretary of Defense. The bill does not go this far, but it does create the Executive Department which is less drastic than what the Hoover Commission recommended.

Now this question all goes back simply to what the powers are of the Secretary of Defense.

When we give the Secretary of Defense direction, authority, and control, the question as to whether or not we will have an Executive Department becomes absolutely academic. The Secretary can do everything he needs to do without an Executive Department that he could do with an Executive Department, once you give him direction, authority, and control. In fact, the Department versus Military Establishment question has nothing to do with the statutory powers of the Secretary of Defense.

In view of these considerations, the House conferees accepted the Senate language on this subject. So far as the House conferees are concerned, we are in full agreement with my friend the gentleman from Ohio [Mr. CLARENCE J.

BROWN], and our former colleague, Mr. Carter Manasco, both members of the Hoover Commission, in respect to the significance of direction, authority, and control. While this bill does not go quite so far as to give the Secretary of Defense all of the statutory authority the Hoover Commission recommends, I am sure that these distinguished men will agree that the establishment of the Executive Department is eminently sound, for it will go far toward expediting the progress of unification by creating a family spirit in the Pentagon.

There are other lesser matters in the legislation. We establish three Assistant Secretaries of Defense, one of whom shall be the Comptroller of the Department of Defense. We make the Joint Chiefs of Staff the military staff of the Secretary of Defense. We fix the duties of the Boards of the Department of Defense in those Boards rather than in the Secretary of Defense. We take the House language on the fiscal and budgetary provisions, and we substitute this legislation for the President's reorganization plan.

So in conclusion, let me say that I think we have an excellent piece of legislation.

Now, what will be its effect?

First, we hope these changes in the law will produce substantial savings in the national military organizations without impairing the fighting efficiency of our armed forces.

Second, we hope that these amendments to the National Security Act will bring about a much greater spirit of teamwork and cooperation and of common purpose in the Pentagon by making it clear that the old unification battle is over.

Third, we hope that it will help the three services view our national defense problems from more of a national viewpoint than from a viewpoint of service aggrandizement and preferential treatment.

Fourth, we hope that the amendments will keep the Congress in the picture and keep the Congress in a position to meet its constitutional responsibilities in respect to the national defense despite the great power of the Secretary of Defense over the armed forces.

And fifth, we hope and believe that these amendments give the Secretary of Defense, beyond any shadow of doubt, a clear-cut mandate from the Congress as to what his responsibility is in connection with the national defense.

Now, as I have said, having given him that blanket authority to run the three military establishments we impose by law certain limitations on that power, one of which is this:

Notwithstanding any other provisions of this act, the combatant functions assigned to the military services by section 205 (e), 206 (b), 206 (c), and 208 (f) hereof shall not be transferred, reassigned, abolished, or consolidated.

In the act of 1947 there was set out in the sections I have just cited the combatant functions of the Army, the combatant functions of the Navy, the com-

batant functions of the Marine Corps, and the combatant functions of the Air Force. So we have said that those combatant functions shall not be transferred, reassigned, abolished, or consolidated.

This limitation on the Secretary—I repeat—keeps him from taking any combatant function assigned to the Army, the Navy, or the Air Force and abolishing it, transferring it, consolidating it, or reassigning it. So, I repeat: He cannot abolish the Marine Corps; he cannot transfer Marine aviation to the Air Force; he cannot put naval aviation in the Air Force; he cannot put the Marines in the Army. The House is very much concerned, and the country is very much concerned about that; so I desire to make the statement positive and clear that with the limitations that we have put in this bill every Member of the House and every citizen of the country can rest assured that he cannot transfer any of these functions which were assigned in the original act of 1947.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. COLE of New York. I know that the gentleman does not wish to mislead the House, and I am sure he would not do so intentionally, but will he not agree that while it is true that the President cannot do all of those things—

Mr. VINSON. The gentleman means the Secretary, does he not?

Mr. COLE of New York. I mean the Secretary. The gentleman has assured the Congress that the Marine Corps will not be transferred, that naval aviation will not be transferred by virtue of this act. Is it not correct that those very things may be done by the President under existing authority of law?

Mr. VINSON. The Members of the House should, of course, recognize the fact that this act ties only the hands of the Secretary of Defense. Under the Reorganization Act that Congress has passed, the President tomorrow morning or at any other time, notwithstanding this law, can send to the Congress a reorganization plan which would and could transfer these functions if the House did not disapprove the plan.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. BATES of Massachusetts. Having those thoughts in mind, I wonder if the chairman could tell the members of the committee why in conference we struck out the words "or any other act" that was in the House version of the bill and which the chairman of the committee on conference, Senator TYDINGS, said was going to be put back into the conference report? Why were they stricken out?

Mr. VINSON. I am sorry that the House conferees could not prevail upon the Senate conferees also to fix the law so that there would be no danger of the President doing tomorrow what we are prohibiting his doing today; but the Senate conferees refused to go along with the House conferees, and it takes two to make a bargain.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Indiana.

Mr. HALLECK. I am glad to have heard the statement just made by the gentleman from Georgia. In connection with the combatant functions I wonder if the gentleman will clarify the intent of the law particularly for the friends of the Marine Corps who have insisted that certainly this Congress does not intend in any way to reduce the combatant ability or function of the marines? For this reason I assume that there is no intent to alter those functions of the Marine Corps concerning their responsibility in the amphibious operations, and that training and development for landing and shore operations continues to be a marine function. I wonder if the gentleman would care to comment on those characteristics?

Mr. VINSON. The act of 1947 gives to the Marine Corps amphibious operations. Under this law they cannot be transferred. I may say that I inserted in the Record a statement some months ago from Secretary Johnson to the effect that he had no intention of transferring the marines or marine aviation, and in addition to that, we have written as tight language on this point in this legislation as can be contrived.

In regard to the question raised by the gentleman from New York [Mr. COLE], under the Reorganization Act the President can come in here with Reorganization Plan No. 10, 15, or 20, and he may set aside what we say here that the Secretary of Defense cannot do, but I do not think the House for one moment would concur with the President if he sent up such a reorganization plan.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from South Carolina.

Mr. RIVERS. Will the gentleman agree this may impose a limitation on the provisions of the Reorganization Act?

Mr. VINSON. I tried to nullify the Reorganization Act, as far as the National Military Establishment was concerned, but I was defeated in that and we have a provision in here instead that nullifies Reorganization Plan No. 8 in view of this law.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. When the appropriation bill was considered, in which we first set up funds for a 70-group air force, the question came up of providing funds for similar planes for both the Navy and for the Air Force. At that time it was testified by the admirals who were before us that they themselves were determining what kinds they needed under their own concept of what their function or mission was. The gentleman has said that naval air cannot be transferred to the Air Force, but what I am wondering

is who is going to determine where the dividing line is. What delineation is there between naval air and the Air Force?

Mr. VINSON. That has been worked out by conferences that were held at Key West and Newport. The roles and missions of the Air Force have been definitely established and the roles and missions of naval aviation have been definitely fixed.

Mr. CASE of South Dakota. The gentleman mentions the Key West conference. I remember distinctly asking Admiral Price and another admiral at the time whether or not their request for certain types of ships were approved by the Key West conference. They said, "No," they were not submitted to them, it was the Navy's own determination of what types they needed.

Mr. VINSON. The gentleman referred to ships.

Mr. CASE of South Dakota. I mean planes. I refer to them as ships but of course should not when speaking of the Navy.

Mr. VINSON. Airplanes?

Mr. CASE of South Dakota. Airplanes. Bombers, pursuit ships, fighters, and so forth.

Mr. VINSON. The roles and missions have been fixed by these two agreements. I imagine when we pass this more complete unification bill there will be more harmony and more definite and positive roles and missions than have existed in the past.

Mr. CASE of South Dakota. This does not provide for any final decision beyond what is interpreted by each component part of the service?

Mr. VINSON. Yes; the Secretary has direction, authority, and control, and as long as he does not disturb the combatant functions as fixed by the act of 1947, he can draw departmental orders to the effect that the naval functions is along certain strategic lines and the Air Force function is along strategic lines, and that does not violate the combatant functions at all.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. As I read this conference report, it seems to me that the joint committee of conference has done exceptionally good work. As I understand the report, it does put into effect the major recommendations, with one or two small exceptions, of the so-called Hoover Commission? It does throw into the law certain safeguards that were not contained in the Hoover Commission recommendation. However, if I am correct, it will permit practically all of the monetary savings and the other efficiencies that were called for in the Commission's recommendation; is that correct?

Mr. VINSON. The gentleman from Ohio, one of the authors of the Hoover Commission report, together with our former colleague from Alabama, Mr. Manasco, made certain recommendations, and we have carried out practically everything that the Hoover Com-

mission recommended, with certain limitations and certain restrictions to prevent the bypassing of the Congress.

Mr. BROWN of Ohio. In other words, you have written in safeguards as to those matters which the gentleman has just described.

Mr. VINSON. That is right.

Mr. BROWN of Ohio. I would like to say one other thing: As I have studied this conference report and compared it with the President's Reorganization Plan No. 8 for the National Defense Establishment, it seems to me that the committee of conference has come closer to carrying out the recommendations of the Hoover Commission than the President's recommendation in the eighth reorganization plan.

Mr. VINSON. I would like to say that the gentleman from Ohio [Mr. BROWN], Mr. Manasco, and former President Hoover and his able Commission have rendered great service to the country in making the recommendations that they did in regard to the Department of Defense.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Illinois.

Mr. CHURCH. While the gentleman is speaking about the limitations and the powers of the Secretary of National Defense, let me say this: First I want to commend my former distinguished chairman for his statement—

Mr. VINSON. I thank the gentleman.

Mr. CHURCH. The gentleman will recall that I talked to him about this subject. The marines in my district are interested in not limiting the number by percentage of marines, and I call attention—

Mr. VINSON. I cannot go into that. That is not involved in the conference report. The Marine Corps is fixed at 20 percent of the strength of the Navy.

Mr. CHURCH. Is this better for them than 6 percent of all of the armed services or as provided in the Mansfield bill?

Mr. VINSON. Just a moment. Let me get this off my mind. Somebody has tried to get the Marines to talk about having 6 percent of the combatant strength of all three services. It will take legislation to do that, and I do not think the Congress will do it.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. I was very much disappointed to learn that instead of consolidating the Surgeon General of the Army and the Navy, we now have three surgeon generals instead of two, the Secretary of Defense having approved an order to allow the Air Corps to establish a separate surgeon general. I think there is more duplication now than ever before. If we could have one surgeon general, with one head, we could have done the job better than under this bill.

Mr. VINSON. This bill gives the Secretary direction, authority, and control to eliminate all duplications that he sees fit to eliminate, and the House, no doubt,

will have some very important information in a few days, just as soon as this bill passes, in regard to certain activities that will be consolidated and certain that will be put out of existence.

Mr. ENGEL of Michigan. The Secretary would have power to do that, would he?

Mr. VINSON. Oh, yes. As a matter of fact, he has ample authority to do that today, because the law specifically says, "to eliminate duplication in health matters."

Mr. ENGEL of Michigan. Why did he then approve the third surgeon general for the Air Force?

Mr. VINSON. I cannot answer that.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Michigan.

Mr. FORD. Although there are safeguards in this bill, as the gentleman has pointed out, what is there to prevent, when the 1951 fiscal budget comes before us, a reduction in force of the Marine Corps or naval aviation, for example?

Mr. VINSON. To do that the Congress must do it. He cannot take a block of people in the Army and put them in the Navy. He cannot take a group of naval officers or personnel and put them into the Army. He cannot transfer, because under the law today it cannot be done and we do not give him that authority.

Mr. HEBERT. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. HEBERT. I am sure that the gentleman does not want to leave the impression with the House that the fact that the Secretary has to make a report first to the Armed Services Committee of the House and the Armed Services Committee of the Senate that that is a stop-gap as far as carrying out any intended plan that he may have?

In other words, he can submit a report to the House today and accomplish that intent tomorrow morning?

Mr. VINSON. Of course, if he hands in a report to the Armed Services Committee today and says it will go into effect tomorrow—well, we are pretty active, and I think we know our rights.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. COOLEY. The gentleman has told us of the power of the Secretary of Defense and what he could not do; in other words, unification, consolidation, and elimination, and so forth. Would the gentleman please tell us some of the things that the gentleman contemplates he might be able to do?

Mr. VINSON. Any man who has authority, direction, and control must let his conscience guide him in most respects as to what he wants to do. We expect him to unify the services, to run the Department efficiently, and to bring about economy.

Mr. COOLEY. But the gentleman just explained to us that he is not allowed to unify the services.

Mr. VINSON. Of course, he is allowed to unify the services.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. CASE of South Dakota. What authority is left to the Secretary of Defense to transfer funds in the Defense Establishment?

Mr. VINSON. He does not have that as permanent authority.

Mr. CASE of South Dakota. What about that provision that he has the authority "to transfer and adjust appropriations * * * by not more than 5 percent"?

Mr. VINSON. That was in the budgetary provisions of the bill.

Mr. CASE of South Dakota. The Senate bill provided for a 5-percent transfer.

Mr. VINSON. A 5-percent transfer.

Mr. CASE of South Dakota. That is not in the bill?

Mr. VINSON. We struck that out. We want the Appropriations Committee to have close control, and they will give him that authority if they see fit to do so.

Now, Mr. Speaker, I yield 15 minutes to the gentleman from Missouri (Mr. SHORT).

Mr. SHORT. Mr. Speaker, this piece of legislation vitally affects every individual here and every person in the United States.

Much as I like to yield, I will greatly appreciate, for the sake of clarity, coherence, and cogency, if Members will not interrogate me until I have concluded my brief remarks.

Mr. Speaker, it is unfortunate that this legislation, so extremely important, so heavily weighted with portents for the future of our armed forces and our national defense, cannot be more adequately discussed in the House of Representatives. It is indeed regrettable that the sum total of debating time that the House will have had on this very fundamental measure after this conference report is approved will be 1 hour and 40 minutes.

But we must be realistic. We have this job to do, and the thing to do is to get it done. May we do it well.

Just a word about the conference proceedings. I think this was one of the best conference meetings between the House and Senate I have attended since I have been a Member of Congress, and I did not come here yesterday. There was able and intelligent discussion and debate, and the conferees knew at all times very thoroughly what the issues were in their detail and what collateral problems the issues raised. There was not a single decision made in conference that was not knowingly made and, finally, made with the agreement of all of the conferees.

And let me say here and now that although I have had many occasions to praise the splendid, forthright and capable chairman of the Armed Services Committee, the gentleman from Georgia, CARL VINSON, who is beloved by us all, I want the House to know that in this conference I saw more clearly than perhaps ever before the unusual capacity of this remarkable man to whom the Nation owes so much.

It was CARL VINSON, Members of the House, who more than any other person

in the Congress wrote this bill now before us.

It was CARL VINSON who contrived various thoughtful and wise reservations on the vast powers granted by this legislation.

And it was CARL VINSON, as usual, who had the capacity, energy, and sagacity to put forth the views of the House conferees and to carry them successfully against the views of the Senate.

Now what kind of a bill does the House have before it?

I say emphatically that it is as good a bill as can be agreed upon under the circumstances in which Congress has placed itself. By this I mean that there are some aspects of the legislation with which I am in disagreement. But, of course, this is always true after a conference between the House and Senate, and after the giving and taking necessary to write any basic provision of law. I do not like the vast powers granted to one man.

But as for the over-all, we have an excellent piece of legislation, one designed to clarify the authority and power relationships in the National Military Establishment, one calculated to bring economies in the armed forces where possible without injury to our readiness in time of emergency, one which will expedite Chiefs of Staff, our highest military body. In its totality the bill is good.

And the legislation effects these improvements without surrendering the power of Congress to the executive branch.

It does this by a number of very important reservations which the Members of the House will find in section 5 of the conference report. Read these reservations and see the smooth hand of CARL VINSON, and see what we have done in our vigorous effort not to divorce ourselves from our constitutional responsibility to provide for the common defense, to raise and support an Army and to provide and maintain a Navy.

We will at the same time greatly improve the position of the Secretary of Defense by the provisions of this bill. We will greatly facilitate the work of the Joint Chiefs of Staff. We will do this without letting the Chairman of the Joint Chiefs of Staff or the Secretary of Defense run rampant with their power.

That is the purpose of this legislation and that is what it does.

I am not going to treat each of the provisions of the legislation, because my distinguished chairman has very characteristically done this in the greatest detail.

But there are certain fundamental thoughts that I do wish to give to the House so that it will know precisely what the situation is.

I stood before this House only a week or two ago stating that the Congress is putting the cart before the horse in this legislation.

I still believe that.

I still believe that it is not sound legislation, that it is not correct principle of good government, that it is a shocking thing indeed, for the United States Congress to grant additional powers to an office, and—indirectly at least—by that

act give a vote of confidence to the incumbent of that office, immediately before conducting an investigation of serious charges made against the individual occupying that office.

Let me make it clear and as positive as words will permit that I do not stand in judgment on any individual or individuals. I have not preferred charges against them; neither has the House of Representatives.

But I supported the resolution to require the B-36 investigation, as did all the Members of the House of Representatives. The public demanded it.

One week from today the House Committee on Armed Services will begin this investigation. I hope it will find everyone involved wholly innocent, wholly without blame, wholly justified in all of their acts involving the public and public funds. We are not digging dirt, we are not covering up.

Frankly, I have confidence in our officials and, above all other things, I still believe in the fundamental American principle that any man is innocent until he is proved guilty.

But, again I say that it is evidence of declining morality in our Government, in my opinion, to proceed by law to increase the power of the Secretary of Defense immediately previous to investigating him and his associates for past acts involving the use of public funds and Government contracts.

What we should do is to investigate first; legislate afterwards.

Now why do not we do that?

I will tell you why. It is simply because there is in the wind the President's Reorganization Plan No. 8 which will do what this legislation provides, and more, if this legislation is not enacted previous thereto.

I much prefer this legislation to the President's plan. The President himself has asked for legislation. He prefers statutory authority to Executive order. The Secretary of Defense has requested it. If it must be done, this is as sound a way to do it as possible under the circumstances, and for this reason I strongly support and urge wholeheartedly the prompt approval of this measure by the House of Representatives.

We must always temper our aspirations with practicality. Better half a loaf than no loaf at all. In place of withholding legislation and thereby indirectly giving approval to the President's reorganization plan, the only sensible thing to do is to enact this measure and thereby obtain as sound action on this basic subject as we possibly can.

I have one thing more to say in this general vein. As all Members of the House must be aware, I have been a staunch advocate of unification for many years—ever since it first became an issue in the Congress. I still believe in unification—not merger. I still believe that the Secretary of Defense, whether Louis Johnson or any other person, must have adequate authority if he is to be successful and is to be able to perform the responsibilities the Congress imposes upon him. The lack of authority helped kill James Forrestal. So emotionally, intellectually, by conviction, and consistent with my past attitudes, I endorse the

concept and purpose of unification. May the Lord help us get it.

Nevertheless, I think the House should know and that the armed forces should know that our extensive and detailed hearings on this legislation for a month and a half have made it far less clear to me as to the value to be derived from unification than it ever was before. I am filled with doubts.

In spite of pleadings, I have never before listened to such strange wanderings and such imposing lack of substance as was presented on this legislation in support of its passage. There have been broad assertions, spurious assumptions, glittering generalities, and pious platitudes but few definite data or specific cases for its need.

Nevertheless, nearly all of us on the committee have come to the conclusion that there are good and sufficient reasons for the enactment of the legislation despite the insufficiency of the evidence. Strange indeed.

And as to savings under the law, I hope for them like all of you do. I am skeptical as to their achievement. Let me make it absolutely clear to the House that despite repeated efforts on the part of many of the members of the Armed Services Committee, we were never able to obtain an iota of evidence, not one shred of substance, that such savings would actually occur or in what areas such savings could be made. Reductions are not savings. The vast powers granted to a single individual under this act frighten me. Let us hope these powers are exercised wisely and never abused.

So we are being asked, as a measure of faith, to accept this legislation. I know when I am whipped. I am willing to go along, and I trust that the House will also. It is the best we can do now.

Under the circumstances, some of which I deplore as a firm believer in sound governmental process, let us complete the job at hand and approve this conference report.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Montana.

Mr. MANSFIELD. Am I correct in my assumption, after listening to the gentleman and the distinguished chairman of the Committee on Armed Services, that under this legislation the functions and duties of the Marine Corps are absolutely assured and, I might also say, insured insofar as it is possible for this Congress to do so?

Mr. SHORT. I can answer that positively in the affirmative. I asked Secretary Johnson repeatedly when he first appeared before our committee whether or not he could guarantee that the Marine Corps would not be swallowed up by the Navy or the Army and that the air arm of the Navy would not be consumed by the Air Force, and his answer was "Yes." Of course, we are going to maintain the identity and integrity of each branch of the services. I do not think any Member need worry about that.

Mr. MANSFIELD. And the only way in which anything could happen to the

functions, duties, and responsibilities of the Marine Corps would be through a reorganization plan placed before this Congress by the President, which this Congress would have to veto within 60 days or it becomes effective. If that assumption is correct, and I believe it is, then I am certain that no Congress would ever stand for a revision or a lessening of the functions and duties of the corps.

Mr. SHORT. That is right. And, under the present legislation the Secretary of National Defense must report to the Committee on Armed Services of both Houses if any fundamental changes are to take place.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. VINSON. Mr. Speaker, I yield the gentleman one additional minute.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Illinois.

Mr. CHURCH. Does the gentleman's answer to the gentleman from Montana [Mr. MANSFIELD] apply also to the percentage of strength of the marines. I have talked to the gentleman from Montana [Mr. MANSFIELD] and he informs me that the strength of the Marine Corps is now over 6 percent of the over-all armed forces and that it has a statutory strength of 20 percent of the naval personnel.

Mr. SHORT. That is carried out under existing law. That is already established law, and I do not think any Secretary of Defense, I do not care who he is, would ever attempt or dare to try to abolish the Marine Corps. He would have all the American people on his neck. The marines have proved their worth and they are here to stay. We will see to that.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DICTATORSHIP UNDER ECONOMY AND EFFICIENCY LABEL

Mr. HOFFMAN of Michigan. Mr. Speaker, a dictator—Stalin—is the world's bogeyman. Mothers abroad not only frighten their children with the threat that Stalin will get them if they are not good boys and girls, but the greatest and most powerful Nation in all the world—the United States of America—spends billions upon billions of dollars, joins hands with bankrupt and quarrelsome nations in a military pact which binds it to endanger its solvency, sacrifice the lives of perhaps a million of its young citizens, bear the brunt of any war into which any one of those nations may involve it.

While many are opposed to Stalin and the Communists, the majority seem to feel and to oppose him and his policies because, it is said, he threatens the principles which have made us great and powerful, established and guaranteed our prosperity, our freedom, assured our advancement as individuals and as a nation.

Yes; we fear Stalin because he is a dictator, seeks to expand his power, and would, I repeat, destroy our prosperity, our happiness, and our freedom.

But, strange as it may seem, here at home, here in the Nation's Capital, we fail to recognize or to protect future generations against dictatorship.

During the past 16 years, the expansion of the power of the executive departments, of the head of those departments—the President of the United States—has been increased until today it is a threat to legislative constitutional government.

Rules, order, and regulations, and the interpretation put upon them, the manner in which they have been administered, rather than laws enacted by the Congress and interpreted and administered as Congress intended, overshadow and dictate the activities of our people.

And, within the executive department, the military clique, trained and proficient to grasp and exercise power, each day gains and exercises more control, not only over our military program, but over our civilian life.

These military men—and I question not their motives, because undoubtedly, like Stalin, they think they know best—are, in their field, in their sphere of action, would-be dictators, just as we are told that Stalin, on the world stage, is a would-be dictator.

Two years ago we were told by the administration spokesmen, the heads of the departments, that a unification bill was necessary if our national security was to be preserved.

Until near the close of the hearings which were held on that bill, the high-ranking officers of the Navy who served throughout the war on the high seas were denied the opportunity to present their views and, even when permitted to speak, it was quite evident that they were under restraint.

Officers representing the Marines were subjected to similar treatment, which became, in at least one instance, so offensive that General Edson, commanding the Marines, resigned from the service.

That bill, we were told, was designed to give the Nation economy and greater efficiency. It contained provisions which gave the military authority over what had always heretofore been considered civilian activities.

It laid the groundwork for a domination of civilian operations, by those in or connected with the Military Establishment, but apparently it did not go far enough and those who, within the armed services, are always seeking more power, greater authority, were not content; hence the present bill.

Mr. Speaker, on July 12 last, from the well of the House, it was my privilege to point out some of the dangers inherent in the unification bill, in the amendments which at that time, in the name of efficiency and economy, we were being so strongly urged to adopt.

Expressing faith and confidence in the Armed Services Committee and its members, I nevertheless called attention to the purpose of some of those who were supporting the legislation.

From the restrictions written into the bill in conference and so clearly outlined

by the distinguished chairman of the committee, the gentleman from Georgia [Mr. VINSON], it is evident that the committee was fearful of the misuse of the power granted by the bill.

In conference, some of the grubs concealed beneath the apparently fair language of the original bill were exposed to view and an attempt was made to safeguard the people's interests.

But there is in my mind a doubt whether this or any other committee can bring home to the House or to the people of the country all the hidden meanings so skillfully concealed in the cleverly planned phrases that our ambitious military clique can have written into proposed legislation.

I have a distinct recollection of listening to General Eisenhower, when we were considering the Unification Act of 1947, give testimony designed to create the impression that no attempt was being made to lessen the functions or reduce the size or activities of the Marine Corps. His testimony created the impression that no one had ever had such a thought in mind.

At the very time he was testifying, I had before me a copy of the correspondence carried on on that subject between General Eisenhower and Admiral Nimitz and from that correspondence it was apparent that the Army made a sustained effort to reduce the size of the Marine Corps, to limit its missions.

It was also evident that there was a plan to reduce the Navy's air arm.

Notwithstanding the restrictions written into this bill in conference, it is my prediction that those in the armed services, seeking more power for themselves or for the branches of the services which they represent, will attempt, through a reduction of appropriations in the 1951 budget, to curtail the activities of the Marines and the Navy's air force.

I hope, as the years roll on, that someone will be able to arise on the floor of the House and point out that I was completely mistaken in my prediction.

You will note that the Pentagon or those speaking in its behalf have not given us any figures which would show the respective sums for which the armed services will ask in 1951.

In this connection, I should like to point out that, while the Congress, in the preamble of the bill, pays tribute to splendid principles, nevertheless there remain within the body of this legislation certain devices which, to my mind, can accomplish the same evils against which we protest.

The Congress of the United States has gone on record repeatedly ever since 1903 against the Prussian-type national general staff and against an all-powerful Chief of Staff of our armed forces, and the Congress went on record in 1947 against absolute "merger" of our armed forces. The Eighty-first Congress now proposes to go on record, again, against these dangers to our American way of life.

In the preamble of the National Security Act Amendments of 1949, Congress states its intention "not to establish a single Chief of Staff over the armed forces nor an armed forces general staff."

The preamble also states that it does not intend to "merge" the three services,

but only to provide for their "coordination and unified control."

These are splendid sentiments, but are they enough?

Are they enough when we know that there is a small but powerful group of our military men who want one of their clique to wield the power of a single Chief of Staff? And when we have, even within our Congress, a few misguided men who have already proclaimed publicly that "next year" they will have a new bill before Congress for complete merger of our armed forces?

As much as we respect the purely "military" ability of men like General Bradley and General Vandenberg, I am shocked to hear them say before a congressional committee that they believe in a single Chief of Staff of all the armed forces. General Gruenther, Director of the Joint Staff, has given his opinion before the House Armed Services Committee that we would have a single Chief of Staff in 5 years.

Forewarned should be forearmed.

What good are pious sentiments if the opening wedges for a Nazi-Prussian consolidation of military power are already hidden in the law, ready for pressure-group hammers within the Eighty-second, Eighty-third, and Eighty-fourth Congresses?

These hidden wedges are there; make no mistake about that. But they are cleverly camouflaged and hidden from the Congress and from the people. The "Chief of Staff," against which we protest, is camouflaged as a "Chairman" of the Joint Chiefs of Staff and "merger" is camouflaged by being designated as "conversion."

But do not think that these fancy titles fooled either the Hoover Commission or the Eberstadt committee. Ex-President Hoover testified before the House Armed Services Committee that the expanded power of a "Chairman" of the Joint Chiefs of Staff would in practice "amount to the constitution of a single Chief of Staff."

And this House should never forget that the "major criticism" of the Hoover Commission was against the top rank and military precedence of the "Chairman."

Yet, under the bill now before the House, the "Chairman" has been given the exact top rank and precedence against which Mr. Hoover gave his warning.

The Eberstadt committee examined 245 witnesses who were almost unanimously opposed to "merger" or "conversion." Mr. Eberstadt in his testimony listed a total of seven points—all against the "conversion" of the Army, Navy, and Air Force into a single executive department. He even predicted that the next step would be the creation of a single military Chief of Staff.

Yet in spite of Eberstadt's warning the bill now before the House abolishes the three military "executive" departments and by "conversion" actually merges them into a single executive Department of National Defense.

Here in this bill are cleverly inserted, under attractive but misleading titles,

the entering wedges for a vast consolidation of military power so greatly desired by the ambitious few and so hazardous to the people of this Nation.

A summary of the evidence presented to the committee on the question of whether the executive departments of the Army, the Navy, and the Air Force should be abolished and they be treated as subdepartments within a single executive Department of National Defense might show the following:

FOR THE CONSOLIDATION

1. Secretary of Defense Johnson testified he needed a single executive department in order to achieve efficiency and economy.

AGAINST THE CONSOLIDATION

1. Former Secretary of Defense Forrestal did not recommend a single executive department in his January 1949 report of "Desirable changes."

2. Neither the Hoover Commission nor Herbert Hoover in his statement specifically recommended this change.

3. The Eberstadt Task Force Report "considered and rejected merger of the three military departments into a single department."

4. Mr. Eberstadt testified before the committee that:

(a) The 245 witnesses who appeared "were practically unanimous in opposition to merging the three military departments into a single department."

(b) "In effect, it would merge the three military departments. * * *

(c) This would be "contrary to the expressed (and unchanged) intent of declaration of policy of the National Security Act. * * *

(d) "I know of nothing in the experience of the National Military Establishment to date which would indicate the necessity for such a step."

(e) "The act of 1947 * * * was conceived somewhat along the lines of our Federal Government."

(f) "G. E." and "Tel & Tel" are also set up on the federated principle (rather than as a single outfit) with a small group at the top concerned with major policy—not with operations. One big company would confuse problems of operation."

(g) " * * * sound principle not to make amendments unless the need * * * is at least reasonably demonstrated. * * * I don't * * * know of anything in the realm of practice as opposed to theoretical discussions which would indicate that this measure was needed or desirable."

(h) " * * * the Secretary's authority should be clarified and should be strengthened * * * that is quite a different thing than creating a single department * * * it is not essential to do that to clarify and strengthen the authority of the Secretary."

(i) "If you create one single department I would dare to prophesy that it is not very long before the logic of events will compel you to create a single Military Chief of Staff."

The CHAIRMAN. "That is the next step, isn't it?"

Mr. EBERSTADT. "That is the next step. That is the next and natural development."

President Hoover pointed to the danger which might grow out of so large a grant of power to one individual.

Listening to the request of the chairman of the committee, the gentleman from Georgia [Mr. VINSON], and to a similar request from the ranking minority member of the committee, the gentleman from Missouri [Mr. SHORT], it appeared that, while asking for our votes,

each expressed grave doubts as to the wisdom of the legislation, a fear of the danger which might grow out of its enactment.

Neither seemed to be satisfied with it. Both apparently agree that needed economy could be effected without it if the heads of the various departments so desired.

Each apparently supported it because the administration and the armed services demanded its passage and because he thought the people had been sold the idea that it would give them greater efficiency and a portion at least of our much-needed economy.

My constituents may ask then, why, if I believe the bill is dangerous; if I am satisfied that it will give us neither efficiency nor economy, do I not vote against it.

The only answer I can make—and concededly it is a poor one—is that, in my opinion, not 20 votes will be against the bill; that any vote against it will by people in general and by governments abroad be considered as a vote against national defense, and so considered give encouragement to a potential enemy.

Like the gentleman from Georgia [Mr. VINSON] and the gentleman from Missouri [Mr. SHORT], the two ranking members on the committee, I may entertain a hope—though a slight one—that the bill will give the people a little economy, the country more efficiency, and that it is at the moment legislation which the people are demanding because they believe it will prevent waste. I will not at the moment deny them their wish nor will I deny to the armed services the opportunity which they say they want to give the overburdened taxpayer economy and perhaps increased efficiency.

Moreover, having against my better judgment again voted to give them an opportunity to make good on their promises, I shall watch their every maneuver, their every expenditure, with a jealous eye. Nor will I neglect any opportunity which may offer to point out from the well of the House any failure on their part to further the program for economy and efficiency.

Mr. VINSON. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Speaker, I realize that my voice is quite like that of the child in the wilderness. But, I confess that I am a bit different from my colleague the gentleman from Missouri [Mr. SHORT], who admitted that he knew enough to realize when he was licked, and therefore had decided to go along with this bill. I have not yet reached that point.

I do want to call your attention to a rather significant occurrence in connection with the recommendations that this conference report be adopted, as expressed by the chairman of the committee, the gentleman from Georgia [Mr. VINSON] and the ranking minority member, the gentleman from Missouri [Mr. SHORT]. Before referring to that, however, I do want to indicate my unhappiness in being unable to go along with these leaders of the committee. How-

ever, I feel so very deeply about this matter involving our national security and the granting of such tremendous powers to one man that I feel I must express myself, even though briefly and with futility.

I wonder if you realized and noted that when the chairman of the committee recommended that this bill, as reported in the conference report, be adopted by the Congress, he concluded in very emphatic and definite expressions by declaring it as being his opinion that this bill was not needed in order to clarify the powers of the Secretary of Defense or in order to accomplish the purposes of unification and effect the dollar savings claimed to be possible. The gentleman from Missouri, after he had recommended that the conference report be adopted, in his conclusion indicated that we were getting the cart before the horse; that we were being a bit hasty; that we were granting great powers to a particular individual who, for the moment, is implicated in an investigation by the Congress. At the same time the gentleman from Missouri [Mr. SHORT] expressed doubt that there would be any saving whatsoever under this bill. He indicated that there had been no blueprint submitted to the committee, no indication made by those who asked for these enlarged powers as to where the savings are going to be made.

"Unification" is the magic word that is going to bring us savings of billions of dollars each year. Well, now, laudable though that purpose is, and highly desirable though it may be, it is a fraud and a delusion to tell the American public that there can or will be savings of a billion or two billion or even \$500,000,000 through this bill, which could not otherwise have been saved even without this act unless in some fashion our national security is weakened or placed in jeopardy.

I realize that my plea is futile. The country has been captivated by these glowing promises of savings of billions of dollars. Those who have expressed doubts as to the wisdom of granting this great power to the Secretary of Defense, are ready to take this final but revolutionary step, apparently solely upon the glittering hope that it may result in the saving of a substantial sum of money. I am not yet ready to place my stamp of approval upon this bill, which places far too great a power in the hands of any one man as Secretary of Defense and which has the seeds of undermining our national defense, even though the golden apple of ephemeral economy is held out before me.

Mr. Speaker, this Congress is proposing to modify the National Security Act of 1947. It is doing it under the guise of gaining efficiency, of running the services more economically, of making better unification.

Unification is getting to be like the word "mother." You can't question it—you have to approve of it however it is used. Anyone who wants to propose something about the services only has to shout "unification" and everyone, Republicans and Democrats alike, give it a pious benediction without a second look.

I say we had better start taking a second look at this event which we are blessing. It is time the Congress quit bowing and scraping everytime somebody whispers "unification."

Is this conference report "unification"? Of course not. It is merger. The very thing its preamble says we will not allow. We are merging the three services into a corporate monster of a single executive department. This is not my opinion alone, it is also the considered opinion of Mr. Ferdinand Eberstadt. Why are we doing this? Why are we playing this game with words? It is a simple answer. This holy word "unification" is supposed to mean economy.

What kind of economy? No one knows. There have been wonderful promises—like some people's campaign promises—of savings of a billion dollars. But nobody has ever described how a single penny can be saved. The administration has sent witnesses down here who sang a chorus that this merger meant economy. But never a word as to where. The best independent witness either House had, Mr. Eberstadt, said that this merger into one department would not give economy. Over 240 out of 245 witnesses that testified before his task force said that they were against it. If Congress is to be a deliberative assembly, what evidence is it going to take? Why are we Republicans and Democrats alike voting for this camouflaged merger?

Because it sounds so good to our ears we are going to put complete control of \$15,000,000,000 in the hands of one man.

Is there economy in this one-man control of fifteen billions? Let us dispose of that fiction before we go any further. Will this merger give us efficiency or economy? I will answer my question with another one. Where is the businessman who is insane enough to want to have one-man responsibility for a business whose annual operating expenses are \$15,000,000,000 a year? What businessman would claim that he could economically manage a business whose plants, property, and equipment, scattered all around the world, are worth dozens of billions?

The proposition is silly on the face of it. If it were any good all the big companies would have merged their operations long ago. They have to make money. They cannot plead emergencies and top-secret papers to get taxpayer's money. But no big company is run this way.

Yet here we are blindly approving it, because someone sings a siren song that merger, misnamed unification, means economy, not even looking at the proposition, or inquiring where are the blueprints or where are the figures. Show me a man who would claim efficiency from making one man responsible for a merger of United States Steel, General Motors, Du Pont, General Electric, Sears-Roebuck, and Ford into one organization, and I will show you a man no bank would loan a dime.

How will these savings be made? The simplest way, of course, by chopping out a few things.

I do not have to tell any newspaper reader where the chopping will be done. The targets will be the Marine Corps and naval aviation. Oh, I know there will be a few symbolic cuts, mostly on paper, at the Army and the Air Force. But the real whacks will come from the Marine Corps and naval aviation. Probably a couple of good hefty chops will be made at the National Guard, too, since the Pentagon General Staff is still trying to do away with the National Guard.

I challenge the Pentagon to produce their figures for the 1951 budget. There is not a doubt in my mind but what we will find that the Marine Corps and naval aviation are taking the biggest reductions of all. I know that the answer will be that those figures are secret. To that I say—think again. The Congress will have to debate and examine them, eventually they will be published in all the papers. So who are they keeping the figures from now? Only the American people and this Congress. It is time we stopped letting these people cover up everything that is a political "hot potato" by stamping "top secret" on it. That "secret" stamp is still making this Congress act like another rubber stamp.

This bill grants great power. This bill creates the framework upon which a military dictatorship may be fabricated. These enormous powers are such as no wise Secretary of Defense should desire and that no ambitious Secretary of Defense should have.

Mr. VINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. BATES.]

Mr. BATES of Massachusetts. Mr. Speaker, I believe that every member of the House Committee on Armed Services, who has wrestled with this problem over a period of many weeks, not to say months, and those of us who served on the committee of conference, still approaches the solution of this problem with a good deal of reservation. Much has been said in the press and much has been heard throughout the country about the possibility of saving not only a billion dollars, and some have estimated it as high as \$2,000,000,000 if the so-called unification bill can be enacted into law.

I know the chairman of the committee himself has resisted to the very limit of his ability even the suggestion of unification which would have some aspects of merger involved in the whole transaction. But after these months of hearings and after the witnesses, who had given a great deal of time and thought to the subject of the reorganization of the Military Establishment, had appeared before the committee, including ex-President Hoover, and had so strongly advocated that something should be done to bring about efficiency in our military organizations, we finally and reluctantly, after writing many safeguards into the bill that would prevent the building up of a military dictatorship in this country, approved the measure.

There was one reservation I had in the committee of conference and I expressed myself very strongly about it. It has a bearing somewhat on what the future may be insofar as the unification or the

merger of the three services is concerned under the so-called President's reorganization plan. It was my hope that the language in the House bill would be retained in conference, namely, that notwithstanding any other provision of this or any other act, which means that under the Reorganization Act, none of the functions assigned to the military service could be transferred, reassigned, abolished, or consolidated. But the words "or any other act" were stricken out in conference, although I frankly say the members of the House committee made every effort to keep them in the bill.

If this bill is enacted into law, the President may submit to Congress a reorganization plan of the military departments. Either of the two Houses of Congress must disapprove such a plan, otherwise it will have the force of law. If the words "or any other act" were kept in the bill, then Congress would have to take the initiative in the consideration of any reorganization plan. Notwithstanding the deletion of these words, the committee felt that the benefits in the tremendous savings that could be made as suggested by the Secretary of Defense and with the same efficiency, was certainly a worth-while objective. To save a billion dollars or more when you consider the tremendous tax burden the people of the country are laboring under today is important indeed.

I want to make it clear, however, that I am not in favor of the merging of the three departments or the interfering with the combat functions of any of the branches of the military services. There are ample safeguards in the bill in this respect. The bill as reported has the support of the Hoover Commission and also the widespread support of the people throughout the country. Is it my opinion that considerable savings can be made while at the same time maintain the high efficiency for the safeguard of the country. For this reason, I am in favor of this bill.

Mr. VINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. SASSCER].

Mr. SASSCER. Mr. Speaker, this conference report is apparently going to be adopted, but as we take one further step in the eradication of individual services, let us see what happened since this post-war march for power started.

First. In the death of President Roosevelt, there was the loss of the intimate knowledge and appreciation of the Navy that he had gained as Assistant Secretary during World War I—an appreciation which contributed to the building up of our strong and essential Navy of World War II.

The next step was the stripping of the Navy from a service to an agency, and the reduction of the status of Secretary of Navy from a Cabinet rank. In the unification Mr. Forrestal, with his knowledge and appreciation of the Navy's importance, was made Secretary of Defense. He was present at the Key West meeting. He realized the importance of retaining the autonomy of the Navy which

was protected under the terms of that agreement; and he saw what the forces, under the guise of unification but aimed at merger and subjugation, were doing to our national defense, and this great American was indeed a war casualty. He was as concerned as many of us over the plight of our Navy and Marine Corps.

Next, we see the scuttling of the supercarrier under amazing circumstances—circumstances that caused the sincere, forthright and able Secretary of the Navy, John L. Sullivan, to resign in self-respect and public protest. I am not a military expert, nor do I profess to be one, so what I say here about the carrier will be limited to the records and facts, and the opinion of the great Admiral Halsey, now retired and free to speak, who knows more about naval warfare than any other American. First the facts: Although Congress, pursuant to its obligations, had on two occasions authorized the construction of the carrier, by departmental order and without consulting naval operations, it was junked. Scuttling the carrier, whether wise or unwise, was done under the power of the Unification Act of 1947, a fact which bears out the fact that as far as administrative savings are concerned, there is ample power now vested in the Secretary of Defense. The scuttling of the carrier is not an economy measure but a further projection of the plans to strip the Navy and Marine Corps and their air arms.

As I said, I am not competent to personally argue the wisdom or lack of wisdom of the carrier, but I do wish you would read an interview by Admiral Halsey which appeared in the May 20 issue of the United States News, and inserted on May 17 in the CONGRESSIONAL RECORD under extension of remarks of my able colleague on the Armed Services Committee, the gentleman from New York [Mr. COLE]. Admiral Halsey not only stressed the importance of the mobility of carrier-based planes, but cited incidents and examples of the force and effect of carrier-based planes in the Pacific. He emphasized the fact that while the long-range bombers can do area bombing from high altitudes, it is only the low-range planes that can do pin-point and precision bombing—necessary for attack on ground troops, airfields, submarines, and so forth. He stated that 15,000 Japanese planes were destroyed by our naval aviation, chiefly from carrier planes. In answering the fixed concept and restricted-use theory as to weapons, which concept was part of the formula for the destruction of the supercarrier, Admiral Halsey said:

The concept of what each weapon can or cannot do theoretically is very ridiculous. The only thing I can think of that is more ridiculous is the fact that you have a weapon and, through legislative or other act, you cannot use that weapon because it might interfere with the glory of some other person who has a similar weapon. I think the object in war is to strike with as many weapons as possible as often and as fast as possible. I think that is the surest and best way to terminate a war. I would go further than that, and say I do not think any weapon should be in any way restricted, whether it belongs to the Army, Navy, or the Air Force,

or is used only for a special purpose. In other words, they should be used where they are most needed.

I shall not quote further, but may I again urge that you read the full context of that revealing interview.

While suppressing our Navy it is important to remember that it was the plan from a Japanese carrier that swept down on Pearl Harbor, the Philippines and Singapore, and that Great Britain has since admitted that she suffered serious losses because she thought only in terms of land defense, and neglected her naval air power. Do not let us make that mistake in America. And let us take stock before it is too late, for the chart lines are being fast drawn in that direction. The present policy is directed to that end, and if this philosophy is allowed to continue, it will not be long before our Navy, Marine Corps, and their aviation arms will be weakened and imperiled, and with it the security of our country.

In an AP story which appeared in the Baltimore Sun of June 4, last, it was stated that the Russians are, for the first time, building up a strong navy, and that Admiral Ivan Yumashev, navy commander in chief, emphasizes that the sea forces should be expanded. In this article we read that the Russian military leaders recently celebrated a Navy Day by calling for further strength of the Soviet sea power. It is ironical that their first Navy Day observance falls but a few months after the abolition of Navy Day in America, which had been celebrated each year since 1922 on October 27. It is probably trivial to mention this, but I refer to it merely as an example of one of the links in the chain that is aimed at the eradication of the autonomy of the Navy and Marine Corps. Certainly, there is no material Government saving accomplished in preventing the naval personnel from participating in exercises which have added much to the building up of the high spirit and efficiency of our Navy. Primarily the Navy League and Navy Day exercises are supported by public subscriptions from persons proud of our Navy and interested in keeping it strong.

We wonder if the recent cut in appropriations that resulted in the dropping of 150 of the 300 young ensigns, who under the Holloway plan had completed 2 years of college and their flight training, was motivated by the desire to reduce expenditures or stimulated by a philosophy of stripping the Navy of its aviation. Certainly at a time when the Nation's thoughts are directed to air power and the training in the Air Forces is being enlarged, it is hard to figure the economy in the throwing out of 150 aviators who had been screened from all angles and selected on a highly competitive basis, and who have completed half the required course—at a tremendous cost to the Government. When they finished their courses they would have been officers in the Regular Navy.

Next in the sequence of destroying the autonomy of the Navy, we have the removal of the privilege of a direct approach to the Executive, and the aboli-

tion of its status as an executive department. One of the sections of this conference report directed to power and not savings, which was insisted upon in the Department bill and now contained in the conference report, creates a Chairman of the Joint Chiefs of Staff. Although the person serving in this capacity would not have a vote, he would out-rank the Joint Chiefs of Staff of the Army, Navy, and Air Force, and those of us familiar with military discipline know that with that rank he would be the boss of the three services. That section is not directed to savings, but is a terrific concentration of potential power in the hands of one person. The pattern of world history is uniform in one phase: The spring-board of all dictators has been the complete concentration of all military power in the hands of one person. It is a dangerous course, and one which our Nation, even in its most trying times, has shied away from.

No one can deny that there is a fruitful field for the application of economy in the armed services, and no one can take issue with a program for unification directed to economy. The disturbing features of this progressive philosophy is not in the effort directed to administrative economy—over which there is no controversy, but in the steps directed to a concentration of power, and the absorption of the individual services. In the last war we had our individual services functioning with high efficiency under Joint Chiefs of Staff with unified area commands, and under that formula we won the war. Germany and Japan, in contrast, had completely merged services under the command and domination of the army, and they were both defeated. And while our No. 1 potential enemy is profiting by this lesson in expanding its navy, we, with a Navy second to none, are in the process of stripping it of its autonomy, pride, and efficiency.

You will find some factual information outlined in an article by David Lawrence, which appears in the Appendix of the CONGRESSIONAL RECORD, page A3367, under extension of remarks by the gentleman from Louisiana, Representative LARCADE, in which he states:

Wars are won or lost at the planning stage—in the years that precede the actual combat. Hermann Goering insisted on unification of all armed services in Germany and on domination of the whole military establishment by his air force. To the cries of the German Navy for a fleet and for better submarines, he turned a deaf ear.

We undoubtedly would have had a longer and bloodier war had the German Navy not been pinched in its submarine production by the one dominant service. Goering was given carte blanche in developing his air force, and in spite of its unquestioned supremacy in those early days, Germany was never able to span that short distance of water. Many theories have been expounded as to why a landing was not effected, but as far as I know nothing has been proved. I merely cite another instance where the loser's navy was second best. And by the same token the Allies, with independent navies, were able to accomplish a much harder landing in reverse.

I repeat again, Mr. Speaker, that I am not arguing against a unification of the armed services as directed to savings, but I am attempting to show that the present Unification Act provides the necessary means to accomplish this economy. At the same time, I wish to caution against the dangers of the determined philosophy of this long-range program to strip down and eventually destroy the Navy and Marine Corps aviation, and to protest against a program that would reduce those proud services below an executive department to mere agencies in one big military bureau, and which would leave them in a status somewhat similar to the prewar Army Transport Service.

The gentleman from Georgia [Mr. VINSON] is one of the strongest and most able chairmen in Congress and is to be congratulated for his successful efforts in conference in retaining some of the important safeguards of the House bill. During the many years he served as chairman of the old Naval Affairs Committee, and since, he has devoted his life toward building a strong Navy and Marine Corps, and to him must be given much of the credit for the glorious achievements and outstanding record made by these services during the recent war. He and his committee exercised close congressional contact which contributed to the efficiency of the Navy and which helped to keep it free from any corruption or suspicion in the vast expenditure of public funds during the period of the prewar and war years.

A one-man rule is answerable to no one, and it is important that Congress keep alert in an effort to eradicate the philosophy that would, if continued, submerge any one of the armed services.

Mr. VINSON. Mr. Speaker, I yield the balance of the time to the distinguished gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, there has been a great deal of misgiving expressed in the course of the debate regarding this bill. To my mind there are entirely too many "doubting Thomases" in our midst. I think this is a good bill. It is a bill which has received much care, study, and attention during the last year or year and a half. It is a bill which comes to us with the recommendation of a non-partisan commission, the Hoover Commission. This Commission is supporting this bill 100 percent. This is a bill which is supported by the testimony of outstanding witnesses, in whose judgment I have complete confidence. These witnesses told our committee this would save the United States a minimum of a billion dollars. Some witnesses said that it would save over a billion, and perhaps better than \$2,000,000,000. I am perfectly willing to rely on the judgment of those distinguished Americans who testified before our committee and give this plan a reasonable opportunity to be tried. I believe the bill will accomplish just that thing. It will give our Government a well-ordered defense establishment. It will take the sprawling defense department, which now runs all through our Government, and unify it in a single Department of Defense. It will give the

head of that Department the opportunity to work out efficient reforms and organize a businesslike administration of the Department of Defense. While it does that, it does not, Mr. Speaker, take from the several departments, including the Army, Navy, and Air Departments, the full protection which those departments ought to have in maintaining their separate identities and organization in the defense establishment. It has been said that no one gave us minute information as to where a dollar would be saved and where it might not be saved by this unification bill.

It has not been told you, but it is true that the Secretary of Defense offered to tell the committee in executive session just where he intended to make changes and just how he intended to save money.

He told the committee that by virtue of eliminating overlapping, duplication, and inefficiencies the sum of \$750,000,000 would be saved our people.

That is all in the testimony. When they talk about doubting the effectiveness of this bill, I say I believe proper efficiency in this department of Government will bring about economies and savings and improvements which will effect reductions of tremendous amounts.

During the course of the war, Mr. Speaker, we were forced under stress of the emergency to work out a hurried unification. We unified our command in Europe and in the Pacific. Much to the surprise of many "doughting Thomases," this unification worked nicely and ran smoothly. It speeded up the prosecution of the war and brought victory with less expense and with less loss of life. It was hailed as a great victory asset. Now, with peaceful times returned to our land, some arise who doubt that the unification which worked in the armed forces so well in the times of emergency would work at present in our armed forces. I think it is entitled to a trial; and I believe the witnesses are correct who feel that an untold amount of money may be saved to our taxpayers by the passage of this measure giving reasonable unification of our armed forces.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THOMPSON. Mr. Speaker, the subject of unification of the armed services is one which has been very close to my heart for as many years as the problem has existed. I have had, since its inception, a great many misgivings. Some of them have been dispelled partly because those who were ambitious to gain tremendous personal power have relinquished their ambitions for one reason or another.

Quite frankly, the statements just made by the very able chairman of the Armed Services Committee have relieved me. He is an old friend, and our offices are just across the hall from each other. We frequently exchange views, and I

have noted each of his reluctant steps toward this so-called unification.

In a few minutes, I am going to vote with him, very much against my own desires, and moved by the feelings that the measure must inevitably be passed; and that it has now been protected by the best safeguards that the gentleman from Georgia [Mr. VINSON] can provide. I cast my vote, knowing full well that the extravagant claims of money saving are misleading the general public and that it is very likely that someone will ultimately take a tremendous blame for the failure of at least this part of the unification scheme.

It is known to all who care to interest themselves that I am a United States marine of some 30 years of service either on active duty in two wars or as a Reservist—a militiaman. However, my interest in the armed services always included the other branches: Army, Navy, and Air, and I believe that I can understand the proper and essential functioning of each in its relationship to the other. Much has been said about the plan in the mind of the Secretary of Defense to do away with the Marine Corps. This, he has denied. There is no choice but to accept his denial and to assume that anyone who may have gathered from conversations with him that he planned the effective disposal of the Marine Corps as a vital fighting unit, evidently misunderstood him.

In his explanation a few moments ago, the gentleman from Georgia reassured me somewhat. I still wonder if in the back of some people's minds there is not the idea that the mission of the corps may be gradually restricted until it becomes merely the force to guard the navy yards and other naval establishments and to man the marine detachments on board ship. It will be interesting to watch from the side lines for this development.

I have no desire to further delay the inevitable. We will, of course, pass this unification measure on the part of a great many of us who have followed national defense very closely there will be tongues in cheeks. We hate to put this awful power in the hands of one man. We distrust a measure which must be sold to the public in the guise of fantastic claims of money-savings. Perhaps we should find comfort in the idea that the final passage of the bill and its enactment into law will do something for the morale of the armed services. Judging from members of the various branches with whom I have had contacts in recent months, the morale is presently at a serious low.

Anyhow, let us try it and hope for the best.

Mr. JOHNSON. Mr. Speaker, many of my Armed Services Committee colleagues have expressed doubt about the effectiveness of this bill, as agreed to by the conferees. They seem to be afraid that we have granted too much power in the Secretary of Defense.

I want to express my wholehearted support of this bill as it comes from the conference. It does give the Secretary much power. But it also hedges that power in rather strictly. It is a long

step toward unification over the original unification bill. It does point in the direction of clothing the Secretary with power to at least partly match his responsibility. If we are going to have unification we must face the fact that the Secretary must be clothed with sufficient power to carry out his duties, or he may become merely the presiding head of warring factions in our defense organization.

Many of the powers he now has are phrased in such general terms that every step the Secretary may take toward unification can be challenged by someone on the ground that the language on which the Secretary relies to support his action can be interpreted more strictly and as not being specific enough to permit the action of the Secretary.

Why do I believe that we should clothe the Secretary with more power? Because I think we should make unification more realistic and more workable. Think of this: In the great war when our national safety and national life was at stake we had unification in every theater of combat. The stark necessity of protecting ourselves and doing every thing possible to insure success brought that about. Pearl Harbor dramatized the futility of dual control. Every great leader during the war supported unification publicly and openly. They knew it was the only way to get the maximum protection and results with our men and equipment.

That being so, why should we not learn from that lesson. What are our armed services for, but to give us a maximum of protection in times of strife and war. We cannot expect effective unification in war unless we perfect it in peace. Next time we may not have allies holding the enemy back and time in which to build the unification that we need for certain victory.

I do not believe that the economy talked about so much is the major or principal object of this legislation. The major objective, in my book, of this legislation is to get the best possible defense system to stop aggression and to win a war if it should come. I cannot make myself believe that welding our defense forces more closely together so they will make a more perfect team will result in a dangerous centralization of power. The President is essentially a civil officer. Not a day passes but he is impressed with the fact that he represents a great population of civilians. Going through the ordeal of a national campaign makes him feel the influence of the people—the civilian voters—very vividly. He will be a check on any Secretary who grabs for too much power, either by law or through administration. Congress will keep an eagle and a suspicious eye on any Secretary who acts like he wants to be or is a military dictator and curb him very quickly. The House is very close to the people and they certainly by nature and the force of election circumstances are daily impressed with the primacy of the civil over the military. We would never let any Secretary get very far on the road to military dictatorship without finding a way to place road blocks in his way and curb his power and his efforts.

But giving him power, by statute, to weld our defense elements into a strong cable of national defense through an effective fighting team is not moving in the direction of military dictatorship.

If we are ever going to curb some of the duplications, the abuses, and the tendency to build and overemphasize small "defense empires" I believe logic drives us to the view that we must give the Secretary more power than he has now. He must be given sufficient tools to develop the fighting team to the highest degree of effectiveness during peace so it will be a winning team when it goes into action.

This bill as agreed to by the conferees is a step in that direction. Of course, the Secretary is going to do many things that those who have the fears they have expressed today will not approve. On the other hand, those who believe in more effective unification will probably applaud his conduct, but think it does not go far enough.

I have no criticism of anyone and their views on this problem. The results of this bill are problematical. But I think it is moving toward more security for our people and its institutions. To me, this step is merely a part of the evolution toward more effective unification and better national security. The better it is; the more efficient and effective it is, the less likely we are to have to use it. Barring unnecessary provocation—and we must be very careful not to give provocation—a well-knit fighting force, well trained and well equipped with the most modern weapons is the best antidote to aggression.

Those are some of the thoughts that pass through my mind as I look on this bill with favor.

Mr. FORD. Mr. Speaker, this bill has many fundamental faults, and as a result I must make several comments. I was in favor of the bill that originally passed the House several weeks ago, but at the same time I must admit I have always disapproved of S. 1269, better known as the Tydings bill. As was inevitable, the House and Senate conferees compromised the differences between the two proposals and as a result, we now have a bill before us containing some of the undesirable features in the original Tydings proposal.

I fully concur with the gentleman from New York [Mr. COLE] who stated that the word "unification" is beginning to have a holy meaning, just like the word "mother." In other words, anyone who speaks out against unification of the armed forces is committing an unforgivable sin. Further, the American press has seized upon, magnified, and made capital of many of the superficial antagonisms and manifestations of disagreement between the armed services of the United States without presenting to the American people the true and basic reason for interservice differences. I submit that the real basis for this bickering is a deep-seated conflict between those, both in the military and in civilian life, who favor a republican form of government and those who apparently believe in an extreme concentration of authority and power of decision in a very

small and carefully selected cadre of officers known as the general staff. Apparently, we are being committed slowly but surely to the general-staff point of view, but I wish to go on record in opposition to those who believe in a general-staff theory and demand that those who favor that policy should be held accountable for any irresponsible or unfortunate results that may accrue. The general staff in Germany prior to the last war made a good impression in an unsavory political atmosphere. But when war and the true test came, the general-staff concept fell by the wayside. It would be most unfortunate if we should have a similar experience in the United States, and those who are driving us toward that end should be fully cognizant of the dangers that are ahead.

The idea of the Army General Staff Corps evidently germinated at about the same time as that for the establishment of the Army War College, which was founded under Secretary of War Elihu Root, by General Order No. 155 of November 17, 1901. However, little was done until the first War College Board met on July 10, 1902, under the supervision of Maj. Gen. S. B. M. Young, United States Army. One of the most important duties of the War College Board and General Young was planning the organization of the General Staff Corps. The General Staff of the United States Army began to function on August 15, 1903, and on November 1, 1903, the Army War College, immediately merged with this corps, began its first year of systematic operation under the general staff. This organization, neither American nor democratic in its scope or intent, was originally quite similar to and patterned after the Prussian General Staff. However, with the perfection attained by years of operation and by the distortion and perversion of opportunists it now assumes a role approaching that of military autocracy.

The official reorganization of the General Staff by General Order No. 14 on February 9, 1918, is a good illustration of how power has been continuously concentrated in the General Staff. In this shake-up the War Plans Division formerly associated with the War College at Fort McNair was established in the War Department with particular duties as follows:

First. Plan for organization of the Army.

Second. Study and determine types and quantities of equipment.

Third. Consider projects for national defense.

Fourth. Provide for training of the Army.

Fifth. Translate and compile foreign documents relating to military affairs.

Sixth. Compile, collect, and maintain complete military records.

Seventh. Propose military legislation for the Military Establishment.

Note particularly paragraph 7. There is reason to believe that most of this legislation in the past few years has emanated from certain groups within the Military Establishment. In my estimation the military should restrict themselves to proposing military legislation

for the Military Establishment, rather than proposing civilian legislation for the Military Establishment. The latter step has now or will shortly take place and I now wonder how long it will be before the military will propose civilian legislation for the civilian establishment. When that point comes this country will no longer live under a republican form of government but rather will be governed by a military dictatorship.

Much has been said about the question of whether or not we should have a single executive department of the Army, Navy, and Air Force. The proponents of a single executive department believe that the Army, Navy, and Air Force should become subdepartments of the Department of National Defense. This particular bill, which is aimed at that objective, has received much impetus because of certain general recommendations by the Hoover Commission concerning fiscal and procurement reform. Many citizens who believe in democracy have been "taken in" by the belief that this legislation will save this country \$1,000,000,000 annually. There is little evidence to prove this point. Actually, the members of the Hoover Commission task force assigned to this problem were not entirely favorable to this specific kind of legislation. For instance, the late Secretary of Defense, James Forrestal, did not recommend a single executive department in his January 1949 report of desirable changes. Neither did the Hoover Commission itself, nor did former President Hoover in his statement specifically recommend this change. The Eberstadt task force report considered and rejected a merger of the three military departments into a single department.

In fact, Mr. Eberstadt, one of the foremost authorities on this problem, testified before the committee and stated that of the 245 witnesses who appeared before his task force, almost all were practically unanimous in opposition to merging the three military departments into a single department. Mr. Eberstadt commented that the Tydings bill or any similar bill would, in effect, merge the three military departments and that this would be contrary to the expressed and unchanged intent of the declaration of policy of the National Security Act. Mr. Eberstadt is quoted as saying, "I know of nothing in the experience of the National Military Establishment to date which would indicate the necessity for such a step. He further stated:

If you create one single department I would dare to prophesy that it is not very long before the logic of events will compel you to create a single military Chief of Staff.

I simply recite the above to illustrate that many of the authorities are not as favorable to this kind of legislation as some would make you believe. It seems to me that we are being pushed headlong into a program without appreciating the consequences that it definitely dangerous to the future security and welfare of this country. It is most unfortunate that the American people have been deluded by the magic word "unification." It is my impression that by this step which we will probably take today we will go further

down the disastrous path of military merger, which in the end may destroy the virility and effectiveness of our armed services. The American people have been lulled into a state of complacency and as a result, appear to favor, for the time being at least, legislation of this sort. It is with great regret that I note that many of my constituents approve of this legislation. As their representative I feel that I should be guided by their wishes and desires but personally I wish to go on record expressing my own disapproval of the general staff concept and if the future there are any further curtailments of a well-rounded armed-service program I will certainly use my best efforts to correct such a deplorable condition.

Mr. VINSON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. VINSON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 356, nays 7, not voting 69, as follows:

(Roll No. 151)

YEAS—356

Abernethy	Chipperfield	Gossett
Addonizio	Christopher	Graham
Albert	Church	Granahan
Allen, Calif.	Clemente	Granger
Allen, La.	Cole, Kans.	Grant
Andersen,	Colmer	Green
H. Carl	Combs	Gregory
Anderson, Calif.	Cooley	Gwinn
Andresen,	Cooper	Hagen
August H.	Corbett	Hale
Andrews	Cotton	Hall,
Angell	Cox	Edwin Arthur
Arends	Crawford	Hall,
Aspinall	Crook	Leonard W.
Auchincloss	Crosser	Halleck
Bailey	Cunningham	Hand
Barden	Curtis	Harden
Baring	Dague	Hare
Barrett, Pa.	Davies, N. Y.	Harris
Barrett, Wyo.	Davis, Ga.	Hart
Bates, Mass.	Davis, Tenn.	Harvey
Battle	Dawson	Havener
Beall	Deane	Hays, Ark.
Beckworth	DeGraffenried	Hays, Ohio
Bennett, Fla.	Delaney	Heffernan
Bennett, Mich.	Denton	Heller
Bentsen	D'Ewart	Herlong
Biemiller	Dollinger	Herter
Bishop	Dolliver	Heseltun
Bland	Dondero	Hill
Boggs, Del.	Donohue	Hobbs
Boggs, La.	Doughton	Hoeven
Bolling	Douglas	Hoffman, Mich.
Bolton, Md.	Doyle	Holmes
Bosone	Durham	Horan
Boykin	Eberhart	Howell
Bramblett	Elliott	Huber
Breen	Ellsworth	Irying
Brehm	Engel, Mich.	Jackson, Calif.
Brooks	Engle, Calif.	Jackson, Wash.
Brown, Ga.	Evins	Jacobs
Brown, Ohio	Fallon	James
Bryson	Feighan	Javits
Buchanan	Fellows	Jenkins
Buckley, Ill.	Fenton	Jennings
Burdick	Fernandez	Jensen
Burke	Fisher	Johnson
Burleson	Flood	Jonas
Burnside	Forand	Jones, Ala.
Burton	Ford	Jones, Mo.
Byrne, N. Y.	Fulton	Jones, N. C.
Byrnes, Wis.	Furcolo	Judd
Canfield	Gamble	Karst
Cannon	Garmatz	Karsten
Carlyle	Gary	Kean
Carnahan	Gathings	Kearney
Carroll	Gavin	Kearns
Case, N. J.	Gillette	Keating
Case, S. Dak.	Golden	Kee
Cavalcante	Goodwin	Keefe
Celler	Gordon	Kelley
Chelf	Gorski, Ill.	Kennedy
Chesney	Gorski, N. Y.	Keogh

Kerr	Murray, Wis.	Simpson, Ill.
Kilburn	Nelson	Simpson, Pa.
Kilday	Nicholson	Sims
King	Nixon	Smathers
Kirwan	Noland	Smith, Kans.
Klein	Norblad	Smith, Wis.
Kruse	Norrell	Spence
Kunkel	Norton	Steed
Lane	O'Brien, Ill.	Stefan
Lanham	O'Hara, Ill.	Stockman
Latham	O'Konski	Sullivan
LeCompte	O'Neill	Sutton
Lesinski	O'Sullivan	Tackett
Lichtenwalter	O'Toole	Talle
Lind	Pace	Tauriello
Linehan	Patten	Teague
Lodge	Perkins	Thomas, Tex.
Lovre	Peterson	Thompson
Lucas	Philbin	Thornberry
Lyle	Phillips, Calif.	Tollefson
Lynch	Phillips, Tenn.	Trimble
McCarthy	Pickett	Underwood
McConnell	Poage	Van Zandt
McCormack	Polk	Velde
McCulloch	Poulson	Vinson
McDonough	Preston	Vorys
McGuire	Price	Vursell
McMillan, S. C.	Priest	Wadsworth
McMillen, Ill.	Rabaut	Wagner
McSweeney	Rains	Waiter
Mack, Ill.	Ramsay	Weichel
Mack, Wash.	Rankin	Welch, Mo.
Macy	Redden	Werde
Madden	Reed, Ill.	Wheeler
Magee	Reed, N. Y.	Whitaker
Mahon	Rees	White, Calif.
Mansfield	Regan	White, Idaho
Marsalis	Rhodes	Whittington
Marshall	Ribicoff	Wickersham
Martin, Iowa	Rich	Wier
Martin, Mass.	Riehlman	Wigglesworth
Morrow	Rivers	Williams
Michener	Rodino	Willis
Miles	Rogers, Fla.	Wilson, Ind.
Miller, Calif.	Rogers, Mass.	Wilson, Okla.
Miller, Md.	Rooney	Wilson, Tex.
Miller, Nebr.	Sabath	Winstead
Mills	Sadlak	Withrow
Mitchell	Sadowski	Wolcott
Monroney	St. George	Wolverton
Morgan	Sanborn	Wood
Morris	Scott, Hardie	Woodruff
Morrison	Scott,	Worley
Morton	Hugh D., Jr.	Yates
Moulder	Scrivner	Young
Multer	Scudder	Zablocki
Murdock	Shafer	
Murray, Tenn.	Short	

NAYS—7

Cole, N. Y.	Jenkins	Sasscer
Gross	Lenke	
Hébert	Marcantonio	

NOT VOTING—69

Abbott	Harrison	Potter
Allen, Ill.	Hedrick	Powell
Bates, Ky.	Hinsaw	Quinn
Blackney	Hoffman, Ill.	Richards
Blatnik	Holifield	Roosevelt
Bolton, Ohio	Hope	Secret
Bonner	Hull	Sheppard
Buckley, N. Y.	Larcade	Sikes
Bulwinkle	LeFevre	Smith, Ohio
Camp	McGrath	Smith, Va.
Chatham	McGregor	Staggers
Chudoff	McKinnon	Stanley
Clevenger	Mason	Stigler
Coudert	Meyer	Taber
Davenport	Murphy	Taylor
Davis, Wis.	O'Brien, Mich.	Thomas, N. J.
Dingell	O'Hara, Minn.	Towe
Eaton	Passman	Walsh
Elston	Patman	Welch, Calif.
Fogarty	Patterson	Whitten
Frazier	Pfeifer,	Woodhouse
Fugate	Joseph L.	
Gilmer	Pfeiffer,	
Gore	William L.	
Hardy	Plumley	

So the conference report was agreed to. The Clerk announced the following pairs:

Additional general pairs:

Mr. Gore with Mr. Towe.
Mr. Frazier with Mr. Hope.
Mr. Murphy with Mr. Taber.
Mr. Whitten with Mr. Meyer.
Mr. Stanley with Mr. Coudert.
Mr. Harrison with Mr. Eaton.

Mr. Gilmer with Mr. Hinshaw.
 Mr. O'Brien of Michigan with Mr. McGregor.
 Mr. Passman with Mr. Allen of Illinois.
 Mr. Patman with Mr. Elston.
 Mr. Richards with Mr. Wm. L. Pfeiffer.
 Mr. Sikes with Mr. Potter.
 Mr. Abbt with Mr. Taylor.
 Mr. Bonner with Mr. Blackney.
 Mr. Fogarty with Mr. Mason.
 Mr. Larcade with Mr. LeFevre.
 Mr. Camp with Mr. Hoffman of Illinois.
 Mr. Dingell with Mr. Hull.
 Mr. Stigler with Mr. O'Hara of Minnesota.
 Mr. Hedrick with Mr. Patterson.
 Mr. Roosevelt with Mr. Plumley.
 Mr. McGrath with Mrs. Bolton of Ohio.
 Mr. Staggers with Mr. Welch of California.
 Mr. Walsh with Mr. Davis of Wisconsin.

Mr. FORD changed his vote from "nay" to "yea."

Mr. HOFFMAN of Michigan changed his vote from "nay" to "yea."

Mr. LEMKE changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FRUIT-FLAVOR CONCENTRATES

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5831) to exempt certain volatile fruit-flavor concentrates from the tax on liquors.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subchapter E of chapter 26 of the Internal Revenue Code (miscellaneous general provisions relating to the tax on liquors) is hereby amended by adding at the end thereof the following new section:

"SEC. 3182. Volatile fruit-flavor concentrates.

"(a) Exemption. The provisions of this chapter (other than sections 2810, 2819, and 2823 and other than sections 2827 to 2830, both inclusive) shall not be applicable with respect to the manufacture, by any process which includes evaporations from the mash or juice of any fruit, of any volatile fruit-flavor concentrate if—

"(1) such concentrate, and the mash or juice from which it is produced, contains no more alcohol than is reasonably unavoidable in the manufacture of such concentrate; and

"(2) such concentrate is rendered unfit for use as a beverage before removal from the place of manufacture; and

"(3) the manufacturer thereof keeps such records, renders such reports, files such bonds, and complies with such other rules and regulations with respect to the production, removal, sale, transportation, and use of such concentrate and of the mash or juice from which such concentrate is produced, as the Commissioner, with the approval of the Secretary, may prescribe as necessary for the protection of the revenues imposed by this chapter.

"(b) Control after tax-free manufacture: If any volatile fruit-flavor concentrate (or any fruit mash or juice from which such concentrate is produced) containing one-half of 1 percent or more of alcohol by volume, which is manufactured free from tax under the provisions of subsection (a), is sold, transported, or used by any person in

violation of the provisions of this chapter or regulations promulgated thereunder, such person and such concentrate, mash, or juice shall be subject to all provisions of this chapter pertaining to distilled spirits and wines, including those requiring the payment of tax thereon; and the person so selling, transporting, or using such concentrate, mash, or juice shall be required to pay such tax."

PURPOSE

Mr. REED of New York. Mr. Speaker, the purpose of this bill, H. R. 5831, is to exempt the manufacture of volatile fruit-flavor concentrates from the \$9 per gallon tax on distilled spirits. The exemption would only apply if (1) the volatile fruit-flavor concentrates and the mash or juice from which it is produced contains no more alcohol than is reasonably unavoidable, (2) the concentrate is rendered unfit for use as a beverage before removal from the place of manufacture, and (3) the manufacturer keeps such records, renders such reports, files such bonds, and complies with such regulations respecting production, removal, sale, transportation, and use of the concentrate and of the mash or juice as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe as necessary for the protection of the revenue.

A manufacturer who violated the conditions of the exemption would subject himself to the taxes and penalties otherwise applicable under chapter 26 of the Internal Revenue Code in respect of such operations, and any person who sold, transported, or used any volatile fruit-flavor concentrate or the mash or juice from which it is produced in violation of chapter 26 of the Internal Revenue Code, or regulations promulgated thereunder, would subject himself to all the provisions of the chapter pertaining to distilled spirits and wines, including those requiring payment of the tax thereon.

GENERAL STATEMENT

As a result of a series of experiments covering several years, there has been developed by the Agricultural Research Administration of the Department of Agriculture a process for the manufacture of volatile fruit-flavor concentrates, especially apple concentrate, for use in flavoring foods and beverages. The process involves recovery of the volatile flavor from fruits or fruit juices and the concentration thereof by distillation in the manufacture of these volatile flavor concentrates. It has, however, been found to be impossible, for all practical purposes to limit the alcohol content to a maximum of one-half of 1 percent, although the presence of alcohol in the concentrated flavor is not deemed necessary nor desirable. Inasmuch, therefore, as the distillation process results in the production of a concentrated natural fruit flavor containing one-half of 1 percent or more of alcohol, the producer is classified as a distiller and the entire volume of the product is classified as distilled spirits taxable at the rate of \$9 per gallon. The imposition of this tax makes the manufacture of the product commercially impracticable and is preventing the development of a promising new industry.

This proposed legislation has the approval of the Treasury Department, the Department of Agriculture, and the Bureau of the Budget.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON FOREIGN AFFAIRS

Mr. KEE. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may sit this afternoon and for the balance of the week during general debate.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, is that on the arms program? I object, Mr. Speaker.

EXTENSION OF REMARKS

Mr. COUDERT (at the request of Mr. REED of New York) was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include a letter sent by him to Hon. PAT MCCARRAN, with regard to the displaced persons bill.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include an address by Secretary of Agriculture Brannan.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include an editorial that appeared in the Birmingham News on July 27, entitled "Foreign Policy Endangered."

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. RIVERS asked and was given permission to extend his remarks in the RECORD and include an address delivered by Admiral W. H. P. Blandy, commander in chief of the Atlantic Fleet.

Mr. WHITE of California asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. VORYS asked and was given permission to extend his remarks in the RECORD and include an article by Walter Lippmann.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. BOGGS of Delaware. Mr. Speaker, I ask unanimous consent to extend my remarks. On this matter I have consulted the Public Printer and he advises me the matter will cost a total of \$200. Notwithstanding the additional cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

Mr. MACY asked and was given permission to extend his remarks in the RECORD and include a letter from a distinguished lawyer, Mr. Herman Todd, to the American Bar Association, and some preliminary remarks and an editorial from the Washington Post.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD in two instances and include letters.

Mr. FORD asked and was given permission to extend his remarks in the RECORD and include a speech made at the National Association of Reserve Officers at Grand Rapids.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. BATTLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BATTLE. Mr. Speaker, it has been four long months since the House of Representatives passed the bill to abolish the unjust tax on oleomargarine. Removing this discriminatory margarine tax is a duty and an obligation of the Eighty-first Congress. We have no alternative if we want to be fair in correcting the injustice which this tax has perpetrated.

It is a great disappointment to me that the United States Senate has not seen fit to take action on this long overdue measure. H. R. 2023, which passed the House on April 1, was reported favorably by the Senate Finance Committee and lain idle on the Senate calendar since April 28.

We must not allow this session to close with the margarine tax still in force. Although collections from the margarine taxes are only a fractional item in our national budget, they loom large in the family food allowance and contribute directly to the high cost of living. Not only that, but thousands of farmers in some 40 of our States producing cottonseed, soybeans, and other ingredients of margarine are victims of this same discrimination. Aside from the ethical question of correcting an injustice, the lifting of the present restrictions against margarine will bring three practical advantages:

First, the removal of restrictions against margarine will provide a wholesome, nutritious food for all income groups in these days when adequate nutrition is a crying need in America.

Second, it will provide a dependable source of income for many farmers in almost every State.

Last, it will save countless hours in the busy housewife's day, time now wasted by coloring margarine in the kitchen.

I call on the United States Senate to recognize this injustice and take immediate action to remove the discriminatory tax on oleomargarine.

TOWNSEND NATIONAL OLD-AGE AND DISABILITY-SECURITY PLAN

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, I want to call to the attention of my colleagues the fact that we have filed Discharge Petition No. 15 on H. R. 2135, the Townsend old-age and disability-security program. I introduced a companion bill, H. R. 2136 on February 2, 1949. Other identical bills were introduced by a number of our colleagues.

These bills have been pending before the Ways and Means Committee since the date of their introduction and no action has been had thereon. In view of the approaching adjournment of the Congress, we have filed Discharge Petition 15 as the only way left to secure consideration of old-age security legislation at this session of the Congress. I most sincerely urge every Member of the House who is interested in old-age security to sign this discharge petition in order that 218 names may be secured at an early date which will permit the bill to be called up for a vote in the House.

Under the existing old-age and survivors insurance the average benefits, according to the latest data I have, is \$25.28 per month, which is only payable after the worker and the employer make contributions over a long length of time. On the other hand old-age assistance, which is not based on contributions but only on a claim of need, pays an average some \$16 a month more than old-age and survivors insurance. There are many thousands of elderly people in the United States who are in dire need. They have been caught between the millstones of higher living costs and lower income and as a result many are suffering from malnutrition. They are unable with the meager payments they now receive to meet their modest requirements for food, shelter, clothing, and medicine.

It is indefensible that this great Nation is so niggardly with our old people. Rich as it is, blessed with abundant natural resources and the ability to produce the necessities of life not only in ample quantities for our own people but for gifts to foreign nations, over thirty billions since the war ended, we still permit the old people of America to suffer from the lack of the ordinary necessities for preserving their lives and meeting their modest requirements. We can remedy this if we will meet the problem forthrightly, sign Discharge Petition 15 on H. R. 2135 and bring it to the floor for debate and amendment. The bill will come up under open rule and any germane amendment which the majority membership desires can be made and we can thereby bring joy to the hearts of these old folks of America and perform our full duty.

Mr. Speaker, ex-President Hoover, Chairman of the Commission for Organization of the Executive Departments, on April 25, 1949, wrote to the Honorable ROBERT L. DOUGHTON, chairman of the Ways and Means Committee of the House, a letter on old-age security, from which I quote as follows:

[From the Appendix of the CONGRESSIONAL RECORD, p. A2438]

The following notes relating to the systems existing at present are based upon data collected by the Commission on Organization of the Executive Branch. That Commission did not deal with policy question to be determined by Congress. The views on policy expressed herein, therefore, are solely my own.

I wish to say at once that I strongly favor governmental provision for protection of the aged and their dependents.

The problem before the Nation is to obtain a workable system, with a minimum of administrative cost, a minimum of bureaucracy, adjusted to the economic strength of the country which gives an assurance of security to this group. In my view, we have not yet found that system.

Mr. Speaker, the recommendations of Mr. Hoover are of great interest and particularly applicable to the discussion of H. R. 2135 and H. R. 2136. Mr. Hoover calls attention to the difficulties and inefficiencies in our present system of social security for the aged of America, and suggests that an entirely different system should be considered on a pay-as-you-go basis, which would avoid the huge costs of administration, avoid duplication, and would substitute some other form of taxation more simple and more direct for its support and which would give more positive security to the aged than the complicated system we now have, which would also obviate the existing indefensible trust fund. The legislation we propose, in our opinion, would meet these objectives.

H. R. 2136 is a self-financing noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to charity or prior contributions. It is Nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go system. Annuities will be paid currently out of currently raised revenues. Sums received by annuitants must be spent within 30 days. The existing system of old-age and survivors insurance and old-age assistance is abolished, together with the pay-roll tax for financing old-age and survivors insurance.

The Ways and Means Committee granted the proponents of this legislation 2 days' hearings before the committee March 14 and 15 of this year, but, as I said, no action has been taken by the committee. In common with many of our colleagues and many others, I appeared before the committee urging the approval of the legislation and at that time discussed its merits and objectives and compared it with the existing program of social security under old-age and survivors insurance, as well as old-age assistance. I will repeat here some of the arguments I made before the committee.

Mr. Speaker, as a Member of Congress for over 10 years, I have been deeply interested in old-age and disability security, and am the author of H. R. 2136.

We in America can be justly proud of our achievements in the development of our industrial production which enables us to stand in the forefront of all nations in the ability to produce food, clothing, shelter, and other necessities of life in abundance, not only for our own people but to help other nations in need. This was a major factor in winning the war. However, with machine labor and mass production, we have found that the elderly people of America, by reason of the very success we have achieved in production, are outcasts and have been deprived of remunerative employment in their declining years.

Existing social and economic conditions force upon us the complex question of security for the individual in our modern industrial civilization. Since 1919 the number of self-employed individuals in the United States, including farmers, has remained fairly constant at about nine or ten million. During the same period the number of employees in the American labor force has risen from 32,600,000 to over 60,000,000, almost double. Since population has been increasing during this entire period, the percentage of self-employed persons in the United States has declined from about 22 percent in 1919 to about 16.6 percent in 1946. In other words, we are facing an age-old problem under rapidly changing conditions.

The young and vigorous are on the pay rolls of this machine age and the elderly citizens are relegated to the side lines. As a result of this maladjustment, we find the aged unemployed increasing in numbers and in want, and we are faced with the problem of social security to meet the needs for livelihood of this large group.

To meet this problem the Congress passed Public Law 271 in the Seventy-fourth Congress, setting up a social-security program not only for the aged, but for the blind, dependent, crippled children, and with certain assistance to maternal and child welfare and public health. The Seventy-sixth Congress made extensive amendments to the law, and as a result we now have two major programs governing social security—title I providing grants to States for old-age assistance, and title II setting up a program for Federal old-age and survivors insurance benefits. For 10 years now these laws have been in operation and we find that they fail, in many important particulars, to meet the problems we are seeking to solve in providing adequate social security for the aged and disabled.

The Advisory Council on Social Security to the Senate Committee on Finance made its report and recommendations last year. The council consisted of 18 outstanding leaders representing practically all segments of our industrial and social life. Their recommendations are significant in that they point out the deficiencies of the existing program for social insurance. The council found

three major deficiencies in this old-age and survivors insurance program which I quote verbatim:

1. Inadequate coverage—only about three out of every five jobs are covered by the program.
2. Unduly restrictive eligibility requirements for old workers—largely because of these restrictions, only about 20 percent of those aged 65 or over are either insured or receiving benefits under the program.
3. Inadequate benefits—retirement benefits at the end of 1947 averaged \$25 a month for a single person.

In order to remedy these deficiencies, this Advisory Council recommended that the coverage be extended to include the self-employed, farm workers, household workers, employees of nonprofit institutions, Federal civilian employees, railroad employees, members of the armed services, and employees of State and local governments, all of which are now excluded from the benefits of the act. The Council further recommended extending greater liberality in eligibility and increased benefits and survivors' protection. The findings of this Council clearly disclose that the present social security program is basically inadequate and must be completely overhauled or supplanted by a more effective program.

There were more than 100 bills pending in the Eightieth Congress proposing changes in the social-security law. Several sought to increase old-age and survivors insurance. Forty-one urged increases in old-age assistance. Thirteen dealt with aid to dependent children. These all pointed to the inadequacy of the present system and the need for drastic changes or the enactment of a new plan.

Mr. Speaker, I will discuss some of the failings of the present system of old-age security and compare it with the proposal embodied in H. R. 2135 and H. R. 2136.

The problem of caring for the aged, the disabled, and dependent children, as seen today in the eyes of proponents of the Townsend plan, and others, is that there are millions of such persons in need among us who are not now, and cannot in the future, be cared for in an honorable and just way by the present system of social security. Under this system, millions of old people receive either no support or hopelessly inadequate support. The system which has been set up is extremely complicated. To supply these deficiencies, we propose H. R. 2135 and H. R. 2136.

In the Eighty-first Congress, several bills identical in language, propose the Townsend plan. They are H. R. 2135, BLATNIK; H. R. 2136, ANGELL; H. R. 2677, WITHROW; H. R. 2743, VAN ZANDT; H. R. 2792, PETERSON.

This is a self-financing noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to need or prior contributions. It is Nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go system. Annuities will be paid currently out of currently raised revenues. Sums received by annuitants must be spent within 30 days. The existing system of old-age and survivors' insurance and old-age assist-

ance is abolished, together with the payroll tax for financing old-age and survivors' insurance.

United States Code title 26, section 1400-1432; title 42, section 401-410a; OASI is a self-financing contributory Federal retirement system under which the insured and their dependent survivors receive annuities as a matter of right in an amount which depends on the length of the period of membership in the system and the amount of wages received by the insured during such period. It is a system under which a reserve is built up against the accumulating liabilities for persons who will retire in later years. The reserve, however, is more in the nature of a contingency reserve than a full reserve. Individual accounts are kept for each worker.

United States Code, title 42, sections 301-306, 601-606, 1201-1206 contain provisions corresponding to those provided under the Townsend proposal.

This is a noncontributory State system, aided by Federal grants, under which payments are made to beneficiaries on a basis of need in an amount fixed by State law. The State programs, though they must conform to the requirements of title I of the Social Security Act, differ widely in type from State to State.

The philosophy and objectives of the Townsend proposal as compared with the philosophy and objectives of the existing system have much in common, but there are marked differences. The Townsend proposal would give recognition to the past labors of the aged and would offer them dividends from the wealth they helped to create. It would give this as a matter of right without any direct relation to specific monetary contributions. The existing old-age and survivors insurance program gives benefits as a matter of right but ties them to a principle of insurance—something that each prospective annuitant and his employer buys as he participates in the productive processes of the country. Finally, old-age assistance is provided to the aged who, because of the lateness of starting the program of old-age and survivors insurance or because of inadequate coverage or benefits, are in need and should be helped.

Townsend plan: Annuities should be offered with neither the stigma of charity nor the aroma of poverty. They should be offered as a matter of right as dividends from the national wealth the aged have helped to create. The system should be one to replace the complicated, arbitrary, and inequitable provisions of the existing law. It should be one which will have a stimulative effect upon our economy and one which will help to make available jobs to all the young who will replace the aged as the latter move into retirement at a decent standard of living.

Only noncontributory pensions will meet the needs of those now grown old who are in need because of past neglect in providing an adequate contributory retirement system. Since at the time the system was adopted most of the States were financially unable to assume the burden of so many aged who moved on to Federal relief rolls, it was deemed

proper to continue to provide Federal aid to States to provide relief to those aged who were in need.

Much of the argument in support of the Townsend plan stems from the limited coverage and inadequate benefits of the present system. For example, most of today's aged who are not working left the labor force before they could build up rights to benefits under OASI. And even among the young and still employed, under the present OASI system, there is no coverage for jobs in agriculture, domestic service in private homes, Federal, State, and local government employees, and workers in religious, charitable, and certain other nonprofit organizations, the self-employed, and others as well. About one-third of the workers engaged in employment are not covered by the system; and of the 78,700,000 living persons with OASI wage credits at the end of 1948, about 40,500,000 were neither fully nor currently insured on the basis of their wage records, and hence were not protected under the programs. In the Federal Security Agency, Social Security Administration, Annual Report, 1947, section 1, page 7, 18, 39, it is said:

Under our present provisions it would be possible for an individual to work at some time during the course of his working life in jobs covered by Federal old-age and survivors' insurance, the Railroad Retirement Act, the Civil Service Retirement Act, and the retirement plan of a State or locality. According to the length and timing of such employments, he might become eligible to receive retirement benefits under one or more or all of these plans. Another man, with similar earnings under several of the programs, may go through a working life without ever acquiring retirement rights under any. Conceivably the survivors of a worker who dies might be eligible for benefits under a Federal old-age and survivors insurance system as well as under a State workmen's compensation law and under general veterans' legislation. Another family, equally in need of income to replace the father's earnings, may have had no opportunity to gain protection under any of these programs.

No Federal provision is made to care for the disabled other than the needy blind. In the same report, pages 21 and 22, it is said:

The United States is unique among major industrial nations in its lack of a general disability insurance system. Compensation for wage loss due to incapacity is confined in this country to work-connected accidents or diseases in industry and commerce, to service in the armed forces, and to employment in the railroad industry or by Government. Two States provide benefits for temporary disability under arrangements similar to unemployment insurance and with the same coverage. In June 1947 these special systems, in the aggregate, reached very few of the 2,000,000 to 2,500,000 persons disabled on an average day and recently in the labor force, who but for their incapacity would be working or seeking work.

The Social Security Administration in this report, pages 1 to 63, concedes the limitations of the present law and strongly urges extension of coverage. The present law was and continues to be considered simply as a cornerstone of a structure which was to be expanded. Approach has been piecemeal and dictated by practical considerations. There has

been the fear that in attempting to accomplish too much all would be lost.

The President's program for social security is embodied in two bills introduced in the House February 21, 1949, H. R. 2892 which sets up a comprehensive welfare program and H. R. 2893 which extends old-age and survivors insurance as to covered occupations and increases the monthly payments. It would extend coverage to an additional 20,000,000 persons and increase the social-security tax from the present 1 percent to 1½ percent on July 1, and to 2 percent next January 1. This tax would be applied against the first \$4,800 of income, instead of the present \$3,000. The OASI program would be broadened to cover farmers, self-employed, farm labor, domestics, members of the armed forces and some others. The maximum insurance benefit would be increased from the present \$85 to \$150 and the retirement age for women reduced to 60 years. It also covers a new program of disability insurance. H. R. 2892, the public welfare program would provide Federal aid for public assistance to be extended on the basis of per capita income in the States, the States with the lowest per capita income getting the largest share of Federal aid. Maximum payments in which the Federal Government would participate are set at \$100 for a couple and \$20 for each additional dependent.

Under the existing law under old-age and survivors insurance the average benefits are \$25.28 per month according to the latest data available from social-security records. To obtain this payment the worker and the employer would have to make contributions over a long period of time. On the other hand the average of old-age assistance—not available to those under the retirement plan but given only on a claim of need—was some \$16 more per month than the old-age and survivors' insurance payments. According to late figures payments in Colorado reached \$78.29, in California \$61.25, in Washington \$60.33. It is thus shown that those receiving assistance who did not contribute to the program received very substantially more than those who through the years contributed taxes based on monthly incomes.

It is reported that recipients of relief now exceed by nearly 1,500,000 the insured workers who are drawing benefits. In the month of October last the number granted cash on the basis of need totaled 2,469,372 as against 1,016,303 retired workers receiving old-age insurance. This experience is directly opposite to that contemplated when the Social Security Act was enacted. It was believed that gradually all old-age beneficiaries would come under the provisions of the old-age and survivors insurance program and those receiving assistance on the basis of need would be gradually reduced and eventually eliminated.

Mr. Arthur J. Altmeyer, commissioner for social security, in an article appearing in the Social Security Bulletin for December 1948, said:

Today we have Federal old-age and survivors insurance and a railroad social insurance system that covers the risk of wage loss from old-age, premature death, tempo-

rary and permanent disability, maternity, and unemployment. We have unemployment insurance laws in all the States and Territories. We have 1,800 permanent full-time public employment offices. We also have temporary disability laws in three States, covering loss of wages due to nonindustrial accident and sickness. Besides these forms of social insurance, we have in effect federally aided State-wide old-age assistance programs in all the States, aid to dependent children in all States but one, and aid to the blind in all but four States. * * *

Benefits paid under the various forms of social insurance are for the most part inadequate. The increase in the benefits that have occurred have not kept pace with the increased cost of living. Moreover, as I have already indicated, only three States provide protection against loss of wages resulting from nonindustrial accidents and diseases. There is no protection under Federal old-age and survivors insurance against permanent total disability. There is no protection under either Federal or State law against the costs of medical care.

As far as the various forms of public assistance are concerned, the Federal Government has provided increased participation in the costs. This increased participation has enabled the States to provide more financial assistance to needy persons than they otherwise would have been able to do. Therefore, the increase in Federal participation is desirable in itself. At the same time, however, that more Federal participation has been provided in meeting the cost of public assistance, there has been a lopsided development of our total social-security system.

When the Social Security Act was passed in 1935, the basic idea was that contributory social insurance would be a first line of defense against destitution. It was expected that, as time went on, Federal and State Governments would have less and less of a burden under the public assistance laws. Today, however, the number of needy persons receiving public assistance is greater than it has been at any time since the passage of the Social Security Act. Moreover, the number of aged persons receiving public assistance is nearly twice as great as the number of persons receiving benefits under the Federal old-age and survivors' insurance system.

It is also true that the largest proportion of persons receiving what we call general assistance, as distinguished from old-age assistance, aid to the blind, and aid to dependent children, consists of persons who are suffering from physical disability. If our social insurance system covered disability, we would be able to reduce considerably the burden on States and localities for providing this general assistance.

A major defect in the present system is the smallness of individual payments and their inadequacy in providing a decent standard of living. As one of my colleagues has said, the old-age insurance program is allegedly based, in respect to the payments to the recipients, upon the contributions made by the workers, the employees, and their employers. A vast actuarial scheme has been set up, requiring the attention and deliberation of highly trained actuaries. Great shelves are being filled with volumes of statistics, weighted averages, median lines, maximums, minimums, involved and intricate forms. At the end, what happens? At the end, the average worker comes out with about \$25 a month, far less than he would get if he were under the old-age assistance program. This plan actually contemplates that these actuarial calculations will become effective against a boy 16 years of

age who is in a covered occupation, and that for 50 years, until he is 65 years of age, the Social Security Board will keep track of his employers and of the tax payments made from his wages; also of his wife, his children, his job, and his compensation; and then, as a result of those calculations, it will determine what that young man will receive 50 years from now. In other words, these actuarial calculators are now calculating whether 50 years from now that boy will get \$10.50, or \$19, or \$20. In the next 10 or 20 years we are going to have crisis after crisis; what these crises may be, no one can readily predict; but certain it is that many of them will bring widespread economic dislocation. And here is a group of men who solemnly assert that by means of this actuarial system they are at this time determining how much workers will be paid—10 to 20 to 50 or even 100 years from now. The sad and pathetic aspect of it is that these payments will amount to only approximately \$10 a month, which is the minimum, or up to approximately \$60 a month, which is the maximum. As a matter of fact, these payments are so meager and so low that they nauseate and sicken the human heart.

Subject to particular attack has been the fact that the average payments under public assistance, for which a showing of need is required, exceed on the average payments under OASI toward which the beneficiaries have actually made payments as shown in the Social Security Bulletin, November 1947, pages 34 to 36, and in Social Security Bulletin, October 1947, page 33. It is also pointed out that it is rash to attempt to fix by statute and provide through reserves the payments that will be paid many years hence. Changes in the purchasing power of the dollar are so great that attempts of one generation to set minimum decent standards of living for succeeding generations cannot but prove fruitless and just waste motion.

It is not possible to estimate definitely the per capita annuity that would be available under the Townsend proposal should it be enacted. Its virtue is its elasticity, the monthly payments keeping pace with the purchasing power of the dollar. The tax formula could be changed by the Congress from time to time to meet the existing needs. Since the amount of the monthly payments for the beneficiaries depends upon the tax collected and the number of eligible citizens who apply for the annuities, it is not possible to determine with any degree of accuracy what these payments would be without knowing the national gross income and the number of recipients. However, amounts payable under the Townsend plan will be found by subtracting administrative costs from tax receipts and dividing by number of beneficiaries. Proponents of the plan have variously estimated the benefits that would be payable monthly.

At the present time old-age assistance payments are financed through congressional and State, and sometimes local, appropriations. No special Federal levy is made to finance the Federal share. Payments to the recipients are actually

made by the States. The Federal contribution for payments to the aged and blind is three-fourths of the first \$20 plus one-half of the remainder up to \$50. It is three-fourths of the first \$12 for each child, one-half of the next \$15 for the first child and one-half of the next \$6 for each additional child. The maximum Federal contribution is \$50 for the aged and blind, \$27 for the first dependent child, and \$18 for each additional child.

Under the Townsend plan, each installment of the annuity received must be spent within the United States by the end of 30 days after its receipt. The proceeds from the sale of real property acquired through the use of money received as an annuity must be spent within 6 months. The purpose of this is to keep the money in circulation, stimulate the economy, and stabilize production. There is no comparable provision applicable to payments under OASI or public assistance.

ADMINISTRATION

Complications involved in the administration of old-age and survivors insurance are frequently pointed to as one of the arguments against that system. "Illusory," "sheer fraud," "swindle" are favorite epithets for attacking the reserve. A discussion of this appears in Legislative Reference Public Affairs Bulletin No. 46, 1946, Financing Social Security, pages 41-61. A more recent further attack has been made by John T. Flynn in his *Our Present Dishonest Federal Old-Age Pension Plan*, Reader's Digest, May 1947. This is reprinted in the CONGRESSIONAL RECORD, May 5, 1947, page 4485.

The great objection to the public assistance programs is that, being State administered, amounts paid vary greatly not only as between States but also as between localities within the same State. So far as the Townsend proposal is concerned, none of the foregoing would present a problem, but the proposal would have some problems of its own to be worked out. Some of the foregoing points I will now consider in further detail.

The Bureau of Internal Revenue is to collect the tax under the proposed Townsend plan law. Every person having a personal income in excess of \$250 and all other persons or corporations having any gross receipts would be required to make monthly returns. Much of this work of collection could be eliminated if some method of collection at the source were devised. Another administrative problem would be the sending out of the checks each month to the pensioners. A similar problem is now being met under the Social Security Act.

Under old-age and survivors insurance, the Social Security Administration in the Federal Security Administration administers the payment of benefits, while the Bureau of Internal Revenue collects the tax. The cost of administering this program is now running around \$50,000,000 per year. Total costs through 1947 were about 15 percent of benefits paid out and a little more than 2 percent of total receipts—taxes plus interest on assets. For the fiscal year 1947, administrative

costs were in 2.5 percent of receipts and 9.6 percent of benefit payments. Part of the administrative chore is keeping the wage records of 78,700,000 living persons and determining the amount of benefit each—and his family—is entitled to if and when he or they becomes eligible for a benefit payment.

Though old-age and other public assistance plans are State administered, the Federal Government contributes to the administrative costs. The contribution is 5 percent of the grant for old-age assistance and one-half the cost of administering aid to dependent children and the blind. The total Federal and State administrative costs in the fiscal year 1947 ran approximately as follows: Old-age assistance, \$50,026,000; dependent children \$21,289,000; needy blind \$2,396,000. The costs ran higher for the year 1948 but the break-down is not yet available.

The tax proposed to finance the Townsend plan is a gross income tax. Practically every argument that can be raised against this tax can be raised against nearly every other tax in force today. Two strong counterarguments, however, do exist against the so-called regressive nature of the proposed tax. The first is that no tax should be considered apart from the use to which the revenues derived are to be put. While sales taxes are objectionable the laudable purpose of this tax overcomes the objections. Second, experience demonstrates that the people of more than half the States have sales taxes dating back to the depression of the thirties. But to return to the first argument, it is apparent that persons in low-income groups will receive annuities in their old age at small cost. Persons in upper and high income brackets will have paid more for their annuities than the low-income groups. Yet, all will receive the same annuity. Therefore, instead of being regressive, the tax is in effect progressive. And further, it is not improper to suppose that the burden of the tax—to the extent they are not dissipated by the positive stimulus that currently paid annuities will have on the economy will be borne willingly by all in the realization that by paying a tax today they will guarantee themselves an honorable and just annuity when they too are disabled or reach the age of 60. All wages in excess of \$250 a month would be taxed 3 percent. There would be no other deductions. The tax on wages and other income would be justified by this direct benefit of an annuity to every taxpayer upon qualifying.

Opponents of the proposed tax make a better case against the existing pay-roll tax which is used to finance old-age and survivors' insurance than they do against this proposal. The proposed levy avoids much of the inequity that exists in the present system, because it at least allows an exemption of \$250 a month. Thus, analysis dispels most of the objections raised again the tax on wages. Furthermore it benefits all instead of a select few as under the Social Security Act—and protects the wage earner against the hazards of old age and disability.

On whom the burden of this proposed tax would fall it is not easy—or perhaps

even possible—to say with assurance of being right. The incidence would vary with changing economic conditions. Doubtless there would be some price rises. It is almost certain that at times merchants and manufacturers would willingly or unwillingly absorb some of the burden or pass it back to their employees in lower wages. There are times when merchants and manufacturers must take what they can get for their product. On the other hand, taxes may be regarded as an expense of doing business, and in the long run business must recover its expense or cease operations.

No proof has been—or perhaps can be—given to show that the proposed tax would increase the cost of living by an extreme and inconceivably unjust amount, and, as indicated above, no tax should be considered apart from the purpose to which the revenue obtained is to be put. It is not too much to hope that the continuous flow of consumer purchasing power which would arise from the spending of the annuities will so stimulate and stabilize production and provide full employment that business profits over the long run will so increase that they can absorb a large share of the tax. In any event, it is most likely that the tax would be widely diffused throughout the whole economic system with little chance of real burden on anyone. Further, any price rises that did occur would be insignificant as compared with price rises that have occurred without any such tax over the last few years. For example food prices have gone up more than 100 percent since 1939, all retail prices are up more than 60 percent, wholesale prices of farm products have tripled, grain and raw materials are up two and one-half times, while building material and semimanufactured articles have doubled. The disadvantage to small business and the stimulus to monopoly and big business are advanced as arguments against this proposed tax. However, big business operates on a smaller margin of profit and small business might be placed in a stronger competitive position by this tax.

Whatever merit there is to the objection raised, it must be remembered, however, that in a vast number of instances no such problems arise. There would be but a single turn-over in the matter of services, such as those furnished by physicians, barbers, mechanics, and so forth; and, so far as integration is concerned, and so far as the tax might tend to promote monopoly, then it becomes the function of the Department of Justice and other Government agencies to take such steps as will prevent undesirable mergers and consolidations.

It is claimed that other consequences to business of the proposed tax would be to promote uneconomical forms of doing business, geographical discrimination, and make virtually impossible operations on the stock and commodity markets. The tax would tend to be the important factor which would determine the method of business operations. Business would adjust itself to the necessities of the changed conditions.

It is perhaps impossible to devise a tax system that does not hurt one group more than another. Certainly our present sys-

tem is replete with such instances. For example, the small unincorporated business is not taxed as a business at all. Each partner pays a tax only on his share of the earnings. On the corporation on the other hand, a tax is imposed on the income of the corporation and later, when dividends are distributed, the owners—stockholders—pay a further tax on their share of the earnings. It is not improbable that small business might benefit as a result of the changed methods of operation that would result—if we assume for the moment that changes would result. They would no longer have to have large sums tied up in inventory and goods in process. All these costs would be borne by the larger firm on whose goods the smaller firm worked. On the geographical discrimination argument, it is not the function of a tax system to provide equality in competition. As for the effect on stock and commodity market operations, to the extent that the tax curtailed gambling on the exchanges and the forcing up of prices through dealings in futures—as is commonly alleged—the tax would have directly beneficial effects upon the economy.

Proponents of the Townsend plan believe that the economy of the Nation will benefit by reason of the expenditure of the annuity within 30 days after its receipt. According to the bill—

(a) The annuity shall be spent within the confines of the United States, its Territories, and possessions,

(b) Each installment of the annuity shall be spent by the annuitant within 30 days after the time of its receipt.

(c) An annuitant shall not engage in any occupation, business, or other activity from which a profit, wage, or other compensation is realized or attempted, except that nothing in this title shall be construed to prohibit an annuitant from collecting interest, rents, or other revenues from his own investments. No annuitant shall support an able-bodied person in idleness except a spouse. * * *

(e) Any sum received by an annuitant which represents the proceeds of a sale of any real property acquired through the use of money received as an annuity under this title shall be expended by the annuitant within 6 months after the receipt of such proceeds of such a sale.

The thought behind this proposal is that in the years before the war people in general tended to hoard their earnings. Consumption did not keep pace with the ability of the economy to produce. The result was that we had underproduction, underconsumption, and unemployment. There will be no incentive for elderly people of limited income to hoard their meager earnings as the haunting fear of old age and destitution will have been removed. The proceeds of the tax will go to people who will move out of employment. They will be required to spend the proceeds of their annuities within 30 days. This will stimulate production, production will promote employment, the younger will move into jobs vacated by the aged, and we will have prosperity.

The old-age and survivors insurance program, being a contributory plan based upon contributions by both employers and employees, each paying a tax of 1 percent of the first \$3,000 of wages, to be increased to 1½ percent in 1950 and 1951 and 2 percent thereafter, is, in effect, a tax on production and a

burden on all citizens. The plan gives inadequate relief to those covered and is unjust to those not covered. These taxes go into what is called a trust fund which, on December 31, 1948, amounted to \$10,721,714,000. The Government spends the trust funds as received for the regular expenses of government, and replaces the funds with Government securities bearing interest paid by the Government, which encourages deficit spending. It follows that when these funds are needed, in lieu of the bonds the Government will be obliged to levy another tax on all taxpayers to meet the demands upon the fund. Notwithstanding this huge balance in the trust fund on December 31, 1948, there had been paid to beneficiaries under the program up to that date, only \$2,328,606,000. The cost of administering this program is now running approximately \$50,000,000 a year. For the fiscal year 1948 administrative costs were 10.8 percent of the benefit payments. A major part of the heavy administrative work is in keeping the wage records of 78,700,000 living people and determining the amount of benefits each—including his family—is entitled to if and when he becomes eligible for benefit payments. To be fully insured for life a worker must have 40 calendar quarters of covered employment. Minimum benefits for a worker are \$10 a month, and for a worker and his wife, \$15. Maximum benefits currently paid are \$45.20 for a worker and \$67.80 for a worker and his wife. The average payments as of December 1948, were \$25.40 for a worker and \$38.10 for a man and his wife. This old-age and survivors insurance plan contemplates these actuarial calculations would become effective for a boy 16 years of age in a covered occupation and that for 50 years or until he is 65 years of age, the Social Security Board will keep track of his employers' and his tax payments made from his wages and other essential data covering the case, and based thereon will determine what he will receive in benefits 50 years from now which, according to present average payments, would be about \$25 a month. With the ups and downs in the economic conditions of our Nation and the fluctuation in the value of the dollar, it is at once apparent that the whole scheme is unworkable and, in fact, offers little social security to our workers. These workers, who, with their employers have been taxed through the years and who are now receiving only an average payment of \$25 a month, are receiving less than many of the old-age beneficiaries who pay no tax to the fund. In the meantime, the Federal Government is piling up a huge so-called reserve fund which, in reality, is only a paper fund as the actual moneys are expended as received by Government bureaus, and only IOUs are left in the fund.

All of these difficulties would be avoided by the enactment of legislation of the type we propose in H. R. 2135 and H. R. 2136 which, as I have said, is a pay-as-you-go plan and is financed from current receipts, to which all contribute who come within the tax formula. Particularly, it would eliminate the unsound reserve fund the bureaucratic spenders'

paradise for inflation and deficit spending. Furthermore, our proposal would be elastic so that monthly annuities necessary to enable the recipient to maintain himself in decency and health, would be determined currently, based on existing conditions and tax revenues collected, and which would be adequate to meet necessary living expenses.

The old-age assistance program under the present social-security law is also wholly inadequate to provide a decent annuity to old people of our Nation who come within its provisions. It is a starvation allowance. There is little uniformity in the payments made in the several States. Many old-age annuitants are suffering from malnutrition and starvation. In my own home city this news item appeared:

Leonard Dow, 79, Lind Hotel, old-age pensioner who was found seriously ill in his room Friday, was taken to the emergency hospital. Attendants said he is suffering from pneumonia and malnutrition. He later was admitted to Permanente Hospital, where his condition is reported as critical. Dow is the third elderly person found this week in need.

If we are to preserve the American way of life and our economic and democratic processes under free enterprise, we must find a solution not only for our unemployment problems but also for the problems of providing adequate care for the aged and disabled. With an accelerating advance in technology in the post-war era, and with the commercial development of atomic energy presaging more rapid transitions in mass production, the social risks and hazards of unemployment and old age are increased. Rather than see workers pushed from active labor force, hit or miss, the logical policy to follow is one of selection. The older group has earned retirement. Many of them are not covered by the Social Security Act. By covering the entire group, the whole process of business activity will be stabilized. Retirement payments will provide continuous buying power, will provide the needed balance in market demand, and will help to provide mass consumption without which our mass-production economy cannot function successfully. It will lead the way to greater prosperity in our Nation.

It was by reason of these deficiencies in the old-age security program that those of us in the Congress interested in the problem introduced the Townsend legislation, which is embodied in H. R. 2135 and H. R. 2136. The aged, through no fault of their own, through the fiat of industry, are denied a part in production. They toiled the longest in production and should not, when old, be deprived of taking part in consumption. They are the victims of an industrial system for which they are not responsible. Society owes a duty to these old folks, and it can only perform this duty by establishing a national-annuity system providing against the hazards of old age and disability. There are now millions among us, 60 years of age and over, who are not now being cared for in an honorable and just way by the present system of social security, and are receiving no support from any source or hopelessly inadequate support. Our plan would replace the com-

plicated, arbitrary, and inequitable provisions of the existing law. It is financed by a gross income tax in which all participate. It is a pay-as-you-go system, and annuities will be paid currently each month out of currently raised revenues, and the sums so received by annuitants must be spent within 30 days. Under the plan the existing system of old-age and survivors insurance and old-age assistance will be abolished and a new program substituted therefor. This proposal gives recognition to the past labors of the aged and would offer them dividends from the wealth of American industry which they helped to create. Those annuities are provided for these self-respecting American citizens as a matter of right, without reference to need or prior contributions, and with neither the stigma of charity nor the aroma of poverty.

Mr. Speaker, again I most sincerely urge every Member of the House who is interested in doing justice to our old people during their declining years to sign discharge petition No. 15 and bring this legislation on the floor for full discussion and amendment and adoption.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. POULSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. POULSON. Mr. Speaker, my attention has been called to an article reprinted in the CONGRESSIONAL RECORD from the Arizona Republic, of Phoenix, signed by one J. H. Moeur, under date of July 14, 1949.

The article bitterly attacks the State of California, and has to do with the controversy between California and Arizona over the Colorado River.

In the statement preceding the article in the Record, Mr. Moeur is described as an official of the National Reclamation Association.

Now, my State of California is a member of that association and contributes money to its support. The association has memberships in the 17 western reclamation States. As a matter of fact, a man named J. Hoyer is a vice president of the association.

I should like to know this: Is this the same man?

If it is, I should like to know: Is Mr. Moeur speaking as an official of the National Reclamation Association? Has he a right to speak for that association about an inter-State controversy? Is he saying that the association stands against California in this vital fight?

I demand that the association answer these questions.

If Mr. Moeur is speaking for the association, and thus announcing that the association stands against California, I see no reason why California should remain a member. Why should California contribute money to an association that is fighting her? If this is the case, I shall immediately recommend that California withdraw from the association.

Let Mr. Moeur and the association state at once whether Mr. Moeur is speaking for the association and in the name of the association.

STATEHOOD FOR HAWAII AND ALASKA

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, the poll being conducted by the Hearst newspapers canvassing the entire membership of the Eighty-first Congress and now 85 percent complete will show that the overwhelming majority of the membership of both the House and the Senate favor statehood for Hawaii and Alaska without further delay.

This poll which is reaching every single Member of the Congress indicates that the Members are 2 to 1 in favor of the bill admitting Hawaii to the Union and more than 3 to 2 for the Alaska enabling bill at this session.

A great many of the Members of this Congress have answered affirmatively in the statehood poll because of their intimate knowledge of conditions in both Territories, aware that there is no better time than now to confer upon Hawaii and Alaska that status which has been their due for some time past and for which the people of those Territories have long petitioned. The subject has been thoroughly investigated on the ground by the appropriate committees. I have been both to Hawaii and Alaska on this very question when extensive hearings were held and abundant proof gathered to demonstrate the wisdom of the favorable reports made. I will admit I was skeptical before I went. I returned irrevocably convinced that statehood for these great Territories should be granted, not in a few years but right now. I am not alone in that belief as can readily be illustrated by the very poll now under way and almost completed.

Mr. Speaker, as indicated by that poll it is the hope of many Members from both sides of the aisle that they be allowed to stand up and be counted on this question. Both enabling bills have been reported to this House and both bills should be brought before us for immediate consideration.

The time has come when we can demonstrate to the people of the world our belief in the extension of full democracy to our lands at home, to demonstrate to the people of this country our firm backing of our political platforms and to demonstrate to the people of Alaska and Hawaii our faith in their future and our recognition of them as being politically, economically, and socially inseparable from the Union.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE of New York. Mr. Speaker, the commanding officers of the Army, Navy, and Air Force are together in Europe on an unprecedented peacetime tour, described as a mission to review the military situation in western Europe. Not only is this joint tour by these highest ranking officers unprecedented but it is unnecessary.

It was a mistake for General Bradley, General Vandenberg, and Admiral Denfeld to make this trip. I cannot believe that such an idea originated in their minds. It sounds more like something concocted by the nonthinking planners of the Truman administration.

The European tour of these commanding officers smacks of saber rattling coming at a time when the Congress is debating the arms program for Europe. Their visit will make no friends for the United States. On the other hand, this joint mission will create more tension and will build animosities.

It has been announced that the American high command will talk with the military leaders of the Atlantic Pact nations. Never, in peacetime, has this Government ever sponsored such a move so lacking in diplomacy.

I ask just what information can General Bradley, Admiral Denfeld, and General Vandenberg secure on this display of big brass that could not have been sent by qualified subordinates in Europe? And if it was necessary to send an inspection group from the United States, would not it have been much more dignified for the three commanders to send their deputies or other qualified emissaries?

You can well imagine the reaction in the United States if Joe Stalin sent his top army, navy, and air force commanders to inspect the military set-up in any nation or combination of nations on the North American Continent.

I repeat this trip is not only unprecedented and unnecessary but it smacks of a lack of diplomatic sagacity and borders on the edge of a blunder.

AMENDING RULES OF THE HOUSE PROVIDING THAT DELEGATE FROM ALASKA SHALL SERVE ON COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. McSWEENEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 294 to amend the Rules of the House to provide that the Delegate from Alaska shall serve on the Committee on Merchant Marine and Fisheries.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.
The Clerk read as follows:

Resolved, That rule XII of the Standing Rules of the House of Representatives is hereby amended to read as follows:

"RULE XII

"DELEGATES AND RESIDENT COMMISSIONERS

"1. The Delegate from Hawaii and the Resident Commissioner of the United States from Puerto Rico shall be elected to serve as additional members on the Committees on Agriculture, Armed Services, and Public Lands, and the Delegate from Alaska shall be elected to serve as an additional member on the Committees on Agriculture, Armed Services, Merchant Marine and Fisheries, and Public Lands; and they shall possess in such committees the same powers and priv-

ileges as in the House, and may make any motion except to reconsider."

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first bill on the Private Calendar.

ABRAHAM J. EHRLICH

The Clerk called the bill (H. R. 4789) to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

MRS. PEARL SHIZUKO OKADA PAPE

The Clerk called the bill (S. 111) for the relief of Mrs. Pearl Shizuko Okada Pape.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel the outstanding order and warrant of deportation, warrant of arrest, and bond, if any, issued in the case of Mrs. Pearl Shizuko Okada Pape, of Washington, D. C. From and after the date of enactment of this act, the said Mrs. Pearl Shizuko Okada Pape, who has resided in the United States since 1927, shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or such warrants and order have issued.

Sec. 2. Notwithstanding any provision of the immigration laws, the said Mrs. Pearl Shizuko Okada Pape shall be considered as having been lawfully admitted into the United States for permanent residence as of May 23, 1927, upon the payment by her of the visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARGITA KOFLER

The Clerk called the bill (S. 317) for the relief of Margita Kofler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Department of Justice be, and is hereby, authorized and directed to record the lawful admission for permanent residence of Margita Kofler, who entered the United States at New York, September 21, 1946, and that she shall, for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted as an immigrant for permanent residence, upon the payment by her of the visa fee and head tax. Upon the enactment of this act, the Secretary of State shall direct the proper quota-control officer to deduct one number from the Yugoslav quota for the first year said Yugoslav quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN SEWEN

The Clerk called the bill (S. 905) for the relief of John Sewen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws John Sewen (also known as John Seven), formerly of Williams County, N. Dak., who was admitted to the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon the payment by him of the required head tax and visa fee.

Sec. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the proper immigration quota.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICHOLAS C. KALCOUTSAKIS

The Clerk called the bill (H. R. 2921) for the relief of Nicholas C. Kalcoutsakis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Nicholas C. Kalcoutsakis as of November 18, 1947, the date on which he was lawfully admitted into the United States at the port of New York, N. Y. From and after the date of the approval of this act, and upon payment of visa fee and head tax, Nicholas C. Kalcoutsakis shall be deemed to be a lawfully admitted permanent resident of the United States.

Sec. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Greece for the first year that such quota number is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AGNES TARJANI

The Clerk called the bill (H. R. 4040) for the relief of Agnes Tarjani.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of State is authorized and directed to cause an immigration visa to be issued to Agnes Tarjani, of Cinkota, Hungary, the adopted child of Mr. and Mrs. Janka Ziegler, of 3022 North Cicero Avenue, Chicago, Ill., permitting her immediate entry into the United States for permanent residence. Upon the issuance of such visa, the Secretary shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Hungary.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"For the purpose of the immigration and naturalization laws Agnes Tarjani, a native of Hungary, shall be considered the natural-born daughter of her adoptive parents, Mr. and Mrs. Dezidir Ziegler, citizens of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIKE CLIPPER

The Clerk called the bill (H. R. 584) for the relief of Mike Clipper.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mike Clipper, of King Cove, Alaska, the sum of \$3,700, in full settlement of all claims against the Government of the United States as reimbursement for loss of his boat, *Dora*, at Cold Bay, Alaska, on September 20-21, 1942, while being towed by the *BSP-138* of the Army Transport Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOODY L. SMITHERMAN, JR., ET AL.

The Clerk called the bill (H. R. 1020) for the relief of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$1,500 to the legal guardian of Moody L. Smitherman, Jr., a minor, of Birmingham, Ala., and the sum of \$245 to Moody L. Smitherman, of Birmingham, Ala. The payment of such sum to the legal guardian of said minor shall be in full settlement of all claims of said minor against the United States arising out of personal injuries sustained by said minor on April 1, 1944, when he was struck by a United States mail truck at the intersection of Georgia Road and Forty-eighth Street in Birmingham, Ala. The payment of such sum to Moody L. Smitherman, the father of said minor, shall be in full settlement of all claims of said individual against the United States arising out of medical expenses incurred by him on account of such personal injuries sustained by said minor: *Provided*, That no part of either of the sums appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim settled by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, strike out "\$1,500" and insert "\$750."

Page 1, line 9, strike out "settlement" and insert "settlement."

Page 2, line 1, strike out the figure "1" and insert in lieu thereof the figure "17."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill for the relief of the legal guardian of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman."

A motion to reconsider was laid on the table.

GUSTAV SCHILBRED

The Clerk called the bill (H. R. 1600) for the relief of Gustav Schilbred.

Mr. LICHTENWALTER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MRS. NORA JOHNSON

The Clerk called the bill (H. R. 3536) for the relief of Mrs. Nora Johnson.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Nora Johnson, of Cheseburg, Wis., the sum of \$504. Such sum is equal to the compensation which the said Mrs. Nora Johnson would have received under existing law, for the year 1947, as the widow with a child of a World War I veteran, if her annual income for such year had not been in excess of the amount of annual income allowable in her case for receipt of such compensation. The annual income of the said Mrs. Nora Johnson for 1947 was determined to be in excess of such allowable amount by reason of payment to her on February 26, 1947, of the sum of \$1,021.15 in settlement of her claim for accumulated annual leave of her deceased husband, Sam Johnson, an employee of the Post Office Department, although such claim was filed in September 1946 shortly after the death of her husband on March 19, 1946: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DORA M. BARTON

The Clerk called the bill (H. R. 4414) for the relief of Dora M. Barton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$15,000, to Dora M. Barton, of Saunderstown, in the town of North Kingstown, R. I., in full satisfaction for all claims against the United States for compensation for damages sustained as the result of an accident which occurred when her home was struck by a plane operating out of the United States naval air station, Quonset Point, R. I., on August 21, 1944.

With the following committee amendment:

On page 2, line 1, after 1944, insert a colon and the following: "": *Provided*, That no part

of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FELLA H. HOLBROOK

The Clerk called the bill (H. R. 5019) for the relief of Fella H. Holbrook.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fella H. Holbrook, Oak Ridge, Tenn., the sum of \$6,229.96. Such sum represents losses in compensation sustained, and expenses incurred, by the said Fella H. Holbrook (less the amount earned by him through other employment) as the result of his suspension without pay and subsequent removal from his position as administrative assistant, United States engineer office, Oak Ridge, Tenn. Such suspension and separation from the Federal service covered the period from November 23, 1946, to November 9, 1947, inclusive. The said Fella H. Holbrook was restored to a position of like seniority, status, and pay as of November 10, 1947, after a committee appointed to review the record in his case concluded that the evidence on record did not justify his removal: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HILDA LINKS AND E. J. OHMAN, PARTNERS, AND FRED L. KROESING

The Clerk called the bill (H. R. 5148) to confer jurisdiction upon the District Court for the Territory of Alaska to hear, determine, and render judgment upon the claim, or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the District Court for the Territory of Alaska to hear, determine, and render judgment in the same manner and to the same extent as against a private individual under like circumstances, except that the United States shall not be liable for interests or costs, upon the claim, or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, for any losses and damages sustained by Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, arising out of air flights or maneuvers of the United States armed forces occurring over or in the vicinity of the mink ranches conducted by the said Hilda Links and E. J.

Ohman, partners, and Fred L. Kroesing, at Anchorage, Alaska, or by virtue of any acts or actions of any and all officers, agents, or employees of the United States in connection with the operation of military aircraft or with the establishment and maintenance of military posts or bases in Alaska, or by all of said flights, maneuvers, acts, or actions: *Provided*, That the action in the District Court for the Territory of Alaska to establish such losses and damages may be instituted within 1 year from the date of the approval of this act, and the same right of appeal to the United States Circuit Court of Appeals for the Ninth Circuit from the judgment of the District Court for the Territory of Alaska shall be had as in other causes in that court.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. RICHARD E. DEANE

The Clerk called the bill (H. R. 5525) for the relief of Mr. and Mrs. Richard E. Deane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Richard E. Deane the aggregate sum of \$5,000, in full settlement of all claims against the United States for the personal injury, the medical expenses, pain and suffering, loss of earnings, and property damage incurred by reason of the injuries and the property damage sustained by them as a result of being struck by an Army vehicle operated by Army personnel on Route 25, near the intersection with Lawrence Street, near Rahway, N. J., August 15, 1944, and said injuries and damage having been caused by the negligent operation of said Army vehicle so as to cause it to turn into the vehicle in which said Mr. and Mrs. Richard E. Deane were riding: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$5,000" and insert "\$1,341.85."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HILDE FLINT

The Clerk called the bill (H. R. 1871) for the relief of Hilde Flint.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, directed to cancel forthwith the outstanding warrant of arrest, order of deportation, warrant of deportation, and bond, if any, in the case of the alien Hilde Flint, of Los Angeles, Calif., and is directed not to issue any further such warrants or orders in the case of such alien, insofar as such further warrants are based on any unlawful entry of such alien into the United States prior to the enactment of this

act. Hereafter, for the purposes of the immigration and naturalization laws, such alien shall be considered to have entered the United States in December 1947, the date of her last entry, and to have been lawfully admitted to the United States for permanent residence. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Austrian quota of the first year that such quota is available.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That in the administration of the immigration and naturalization laws Hilde Flint, of Los Angeles, Calif., shall be held and considered to have been lawfully admitted to the United States for permanent residence on December 15, 1947, the date of her actual entry into the United States, upon the payment by her of a visa fee of \$10 and a head tax of \$8.

"Sec. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the German quota of the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KONSTANTINOS YANNOPOULOS

The Clerk called the bill (H. R. 4042) for the relief of Konstantinos Yannopoulos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Konstantinos Yannopoulos, of New York City, N. Y., shall be held and considered to have been lawfully admitted to the United States for permanent residence on the 15th day of August 1947, the date of his actual entry into the United States, upon the payment by him of a visa fee of \$10 and a head tax of \$8.

Sec. 2. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the non-preference category from the first available Greek immigration quota.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JULIA (IOLE) M. STEFANI LENCIONI

The Clerk called the bill (H. R. 5276) for the relief of Mrs. Julia (Iole) M. Stefani Lencioni.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. WALTER. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Mrs. Julia (Iole) Stefani Lencioni, who lost her citizenship under the operation of section 401 (a) of the Nationality Act of 1940, as amended, may be naturalized by taking prior to 1 year from the enactment of this act, before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 335 of the Nationality Act of 1940, as amended.

SEC. 2. From and after naturalization under this act, Mrs. Lencioni shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF EMPLOYEES OF ALASKA RAILROAD

The Clerk called the bill (H. R. 219) to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That with respect to all claims which have been filed in or which within 1 year of the effective date of this act shall be filed in the Court of Claims of the United States, and notwithstanding any other provision of law, jurisdiction is hereby conferred upon said court to determine the full amounts which are due and owing to present or former employees of the Alaska Railroad for overtime work performed, under the provisions of section 23 of the act of March 28, 1934 (48 Stat. 522), from the effective date thereof, and render judgment upon such claims for the full amounts thus determined to be due and owing to any and all of said claimants.

SEC. 2. Judgments or decrees, if any, under this act shall be allowed for the full amounts found to be due, notwithstanding any bars or defenses or laches, or any provisions of law to the contrary.

With the following committee amendment:

Page 2, strike out Sec. 2, lines 6 to 9, inclusive.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN MORREN

The Clerk called the bill (H. R. 2457) for the relief of Helen Morren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000 to Miss Helen Morren, of Richton, Miss., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and property damage sustained as the result of an accident involving a United States Army vehicle on the old United States Highway No. 24, near Camp Shelby, Miss., on November 4, 1944; *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, strike out "\$10,000" and insert "\$5,711.35."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ZELMA INEZ CHEEK

The Clerk called the bill (H. R. 3252) for the relief of Mrs. Zelma Inez Cheek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Mr. Zelma Inez Cheek, of Falls Church, Va., out of any money in the Treasury not otherwise appropriated, the sum of \$10,000 for injuries and disabilities acquired while serving as a Government employee, at the St. Elizabeths Hospital, Washington, D. C., during the years 1940 and 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek, of Falls Church, Va., for injuries and disabilities allegedly sustained while serving as an employee at the St. Elizabeths Hospital, Washington, D. C., during 1940 and 1941.

"Sec. 2. *Provided* that the United States shall be entitled to the benefits of all exemption and all limitation of liability and all defenses accorded by law to private parties, provided further, that the suit shall be filed within 1 year after the enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek."

A motion to reconsider was laid on the table.

CITY OF CHESTER, ILL.

The Clerk called the bill (H. R. 2365) for the relief of the city of Chester, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the claim of the United States against the city of Chester, Ill., for reimbursement of the cost of removing the wreckage of the old bridge over the Mississippi River at said city is hereby waived.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the city of Chester, Ill., is hereby relieved of all liability to pay the Department of the Army for the cost of removing the wreckage of the old bridge over the Mississippi River because of financial difficulties and inability to effect such removal."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOWN OF CRAIG, ALASKA

The Clerk called the bill (H. R. 322) to transfer funds to the town of Craig, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the judge of the district court for the first judicial division of Alaska is hereby authorized and directed to pay to the city treasurer of the incorporated town of Craig, Alaska, from a fund called fund "C" of said district court, the sum of \$745.64, heretofore paid into said fund "C" by the New England Fish Co. as a license tax for the year 1947 on 18,641 cases of salmon packed or canned at the Libby, McNeill & Libby cannery located within the city limits of the incorporated town of Craig, Alaska.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Secretary of the Treasury is authorized and directed to pay out of the Alaska Fund to the city treasurer of the incorporated town of Craig, Alaska, the sum of \$745.64 heretofore deposited into the said Alaska Fund by the clerk of the United States District Court for the First Judicial Division of the Territory of Alaska, said amount having been paid to the clerk by the New England Fish Co. as a license tax for the year 1947 on 18,641 cases of salmon packed or canned at the Libby, McNeill & Libby cannery located within the city limits of the incorporated town of Craig, Alaska."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARY A BAILEY

The Clerk called the bill (H. R. 695) for the relief of Mrs. Mary A. Bailey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000 to Mrs. Mary A. Bailey, of Roswell, Tex., in full settlement of all claims against the United States for the death of her son, Malcom Joe Bailey, who was killed as a result of an accident involving a United States Army truck, in the town of Nash, Tex., on July 7, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, strike out "\$10,000" and insert "\$5,250."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK HAEGELE

The Clerk called the bill (H. R. 733) for the relief of Frank Haegele.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Capt. Frank Haegele, Seal Beach, Calif., the sum of \$40,000. The payment of such sum shall be in full settlement of all claims of the said Capt. Frank Haegele against the United States for the destruction of oyster beds destroyed by the acquisition and relocation of the sloughs by the ammunition depot of the Navy at Anaheim Landing, county of Orange, Calif., dredging for which started April 28, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That jurisdiction is hereby conferred upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Frank Haegele, of Seal Beach, Calif., for damages sustained as the result of the alleged destruction of oyster beds destroyed by the acquisition and relocation of the sloughs by the ammunition depot of the Navy at Anaheim Landing, county of Orange, Calif., dredging for which started April 28, 1944.

"Sec. 2. Suit upon such claim of Frank Haegele may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitation. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon, shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph twentieth of section 24 of the Judicial Code, as amended."

Mr. ASPINALL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: Page 3, line 1, strike out "paragraph twentieth of section 24 of the Judicial Code, as amended", and insert in lieu thereof "section 1346 of title 28 of the United States Code."

The amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Frank Haegele."

A motion to reconsider was laid on the table.

EDGAR BARBRE

The Clerk called the bill (H. R. 1097) for the relief of Edgar Barbre.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edgar Barbre, Fields, La., the sum of \$5,122.50, for damages, burial expenses, and hospital expenses, on account of the death of his minor son, Joseph Lee Barbre, resulting from an accident involving an Army ambulance which occurred on September 14, 1944, on Highway No. 171, near Newlano, La. Such sum is in full settlement of all claims against the United States resulting from said accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$5,122.50" and insert, "\$3,122.50."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANGELINA MARSIGLIA

The Clerk called the bill (H. R. 2256) for the relief of Angelina Marsiglia.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LICHTENWALTER and Mr. SMITH of Wisconsin objected, and, under the rule, the bill was recommitted to the Committee on the Judiciary.

MRS. ELIZABETH MARY C. MANGLE

The Clerk called the bill (H. R. 4411) for the relief of Mrs. Elizabeth Mary C. Mangle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,990, to Mrs. Elizabeth Mary C. Mangle, 2567 Decatur Avenue, New York City 58, N. Y., in full settlement of all claims against the United States for personal injuries, hospital, medical, and other expenses, sustained as a result of an accident at the United States naval base in Bermuda, on October 11, 1946: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MABEL COLLIVER

The Clerk called the bill (H. R. 3499) for the relief of Mabel Colliver.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

EUNICE HAYES, ET AL.

The Clerk called the bill (H. R. 4564) for the relief of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines, Los Angeles, Calif., the sum of \$93,160. The payment of such sum to the said Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines shall be in full settlement of all claims against the United States on account of the acts and omissions of the Department of War commencing in June 1942, in respect to the taking of possession and the use of, damage to, and failure to restore to its original condition, the real property owned by them and located at the southeast corner of Exposition Boulevard and Overland Boulevard in the county of Los Angeles, State of California: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert "That jurisdiction is hereby conferred upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines, of Los Angeles, Calif., for alleged damages sustained to their property at the southeast corner of Exposition Boulevard and Overland Boulevard, county of Los Angeles, Calif., as the result of the activities of the United States Army, in acquiring the property for military uses in June of 1942.

"Sec. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon, shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph twentieth of section 24 of the Judicial Code, as amended."

Mr. ASPINALL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: Page 3, line 5, after the word "of", strike out "paragraph twentieth of section 24 of the

Judicial Code, as amended" and insert in lieu thereof "section 1346 of title 28 of the United States Code."

The amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines."

A motion to reconsider was laid on the table.

HOWARD E. GIROUX

The Clerk called the bill (H. R. 1800) for the relief of Howard E. Giroux.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Howard E. Giroux, of Medford, Mass., the sum of \$76. The payment of such sum shall be in full settlement of all claims of the said Howard E. Giroux against the United States for property damage and personal injury sustained in assisting on June 28, 1946, in the capture of an escaped naval prisoner: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 59. Concurrent resolution extending greetings to Hon. Herbert Hoover on his seventy-fifth birthday.

PARITY FOR TUNG NUTS AND HONEY

Mr. COLMER. Mr. Speaker, I call up House Resolution 289 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 29) to amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for

amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and pending that I yield myself 10 minutes.

Mr. Speaker, the bill H. R. 29 was originally introduced by me about 4 years ago to give a support price to tung oil. The Committee on Agriculture in its wisdom saw fit to place another provision in that bill providing for parity for honey. The two have no association whatever, but I have no criticism of that. I merely point that out by virtue of the fact that the two items are presented in this one piece of legislation.

HISTORY OF TUNG OIL

In the time I have allotted to me I shall discuss with your permission and, I hope, forbearance, the question of tung oil. Then I am going to yield to the distinguished gentleman from Utah [Mr. GRANGER] who will discuss the honey provision of the bill. I realize that there is a great deal of misinformation and lack of knowledge on the subject of tung oil.

Let me tell you what tung oil is and what it means. The word "tung" is Chinese. It comes from the heart-shaped foliage of the tung tree. The tung tree is a tree pretty much in the nature of and resembles the Japanese cherry tree that grows down here around the Basin in the city of Washington. Incidentally, when it is in bloom it would make the cherry blossoms of Washington look a little bit insignificant, displaying as it does a beautiful sight of nature.

The tung tree grows in China. It has been growing there for centuries. It has never been produced commercially in any other country than China, up until very recent years when we in America began to experiment with it through the Department of Agriculture and the Department of Commerce, when we began to realize its strategic nature and the necessity for this oil. It grows wild, but it is also cultivated domestically over there.

DOMESTIC CONSUMPTION

We consume in this country approximately 150,000,000 pounds of tung oil per annum. We have never produced as much as 20,000,000 pounds of tung oil in this country until this year, when we expect to reach that maximum of 20,000,000 pounds. Tung oil is used for what? Domestically, it is used as a drying oil in the finer paints and varnishes. Incidentally, it is a superior oil to the oil which we import from China. It has no substitute for certain uses. Why do we say it is a strategic war material? We say it is a strategic war material because the armed services commandeered every pound of oil which was produced in this country in World War II.

STRATEGIC WAR MATERIAL

During World War I we produced no oil. We were dependent upon China. On account of the congestion of shipping we could not get it in sufficient quantities. It was subsequent to World War I

that the impetus under the Department of Agriculture and the Department of Commerce was begun to produce this tung oil. So important and so strategic was this material during the war that boys from my section of the country were released from the Army and sent back home in their uniforms to help gather the tung nuts to be crushed into tung oil.

USES

What is it used for? It is used to cover the inside of high-octane-gas tanks. It is used extensively in electrical equipment. It is used in great quantities by the Navy in all their electrical equipment, coils, and so forth. It is the best water repellent known to science. It is used to coat the bullets and ammunition fired by the boys who go to the front.

A newspaper reporter asked me this morning: "What is tung oil? What is it used for?"

I began to tell him about some of the things. "Oh," he said, "I know what you are talking about. When we landed out there in the Pacific we had to go through the water. That oil covered everything that we carried in the way of packs, and so forth, to keep them dry." It was used on their ammunition because it is a great water repellent. It is used as a covering for magnesium plates. It is used in time bombs. It is used as a necessary basis for marine paints; and used for many other things, including coating paint for the under belly of seaplanes that land upon the sea, because it resists water and enables them to get off more quickly.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. DONDERO. In the commercial field is it not true it is also used extensively in automobile paint?

Mr. COLMER. I appreciate my friend's contribution. I was talking about the strategic part of this oil and not the ordinary domestic use of it.

STOCK-PILING BILL

It is a necessary strategic war material. The Navy commandeered every pound of it that was produced during the war. The Munitions Board today has tung oil as a strategic war material. They are not stock piling it. Why? They put it on the strategic list to stock pile it, but they said, after a survey of the situation, that it was not necessary to stock pile it because they found that the domestic production in this country would approach the amount they would need in time of war, and therefore it was not necessary to stock pile it. So what you have in effect is a stock-piling bill where the Government does not buy it and store it, as it is doing to the extent of millions of dollars with other essential war commodities, but by giving it a support price.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. BROWN of Ohio. Is it not true that it is rather difficult to stock pile it because it does not keep so well as a stock-piling commodity and deteriorates over a period of time? It must be used rather promptly?

Mr. COLMER. I was informed by the Munitions Board when I took this matter up with them a couple of years ago that they were not quite sure whether it could be stock-piled or not. But if we could get it in this country, then there would be no necessity, because they could commandeer it if they needed it.

So if you give a support price for this oil, you are in effect stock piling, on an economical basis, this strategic material at a saving of millions of dollars to the already overburdened taxpayers.

The SPEAKER pro tempore. The time of the gentleman from Mississippi [Mr. COLMER] has expired.

Mr. COLMER. Mr. Speaker, I yield myself 5 additional minutes.

The gentleman from Michigan [Mr. DONDERO] referred to the use in paints. That is one of the domestic uses to which I referred a moment ago. It is the finest drying oil that is produced.

Mr. BYRNE of New York. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. BYRNE of New York. Is it not true that there is only one place in the United States that the scientists have found they can grow these tung trees? One place?

Mr. COLMER. I appreciate that contribution of my friend from New York.

Mr. BYRNE of New York. Is it not also true that you must have 60 inches of waterfall to sustain them?

Mr. COLMER. I thank my friend. I did not have time to go into all that. The Department of Commerce and the Department of Agriculture began as far back as 1900 to experiment with this commodity. They started out in Florida and in California, with the result that they found there was a little belt, approximately 100 miles wide, that extends along the Gulf coast of Mexico, from the borders of that great Gulf of 100 miles inland, through the States beginning with Georgia and running through to Texas. That is the only place in the United States where it has been found it could be grown profitably.

TWENTY-FIVE TO THIRTY CENT OIL, SEVENTY-FOUR TO EIGHTY DOLLARS TON FOR NUTS

There are a great many other things I would like to comment upon if time permitted, but let me just say this: This is an infant industry. It is an industry that was promulgated, and for a time flourished, as a result of the war. Tung oil has fluctuated in the past 10 years from around 19 cents to as high as 40 cents. Today it is approximately 21 cents a pound. This support price, as recommended by your Committee on Agriculture, would provide for a support price of around 25 cents a pound for the oil or \$74 a ton for the nuts, as the committee reported out the bill.

AT THE MERCY OF CHINA AND RUSSIA

You are making an investment here in national defense. What is going to happen? We are at the mercy—hear me on this, if you will, and if anyone can deny this in the course of debate I would like to hear his denial—we are at the mercy of the only potential enemy that this country has for this strategic war material, and that is Russia. The great bulk

of our production comes from China. You know what is happening in China today; I do not have to tell you that: The Communists have control. What are we going to do? They are going to permit us to have this oil just so long as they see fit to let us have it. There is nothing they would like better than to see this industry destroyed in this country, and then when the proper time comes and we need it they can cut off the supply. I would like to know if anyone has the answer to that proposition.

If you do not give tung nuts a support price what is going to happen? These people have got their money invested in it; the industry is going bankrupt. That is what is going to happen, and when it goes bankrupt they are going to go out of business just like every other agricultural producer who cannot produce at a profit.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Speaker, I yield myself two additional minutes.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. AUGUST H. ANDRESEN. The same thing will happen to the tung nut industry in this country that has happened to the fur farming industry in which because of the shipment of furs into our domestic market the infant industry of fur farming has been destroyed.

Mr. COLMER. I quite agree with the gentleman. I thank him for his contribution.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. CUNNINGHAM. Can the gentleman tell us how long it takes to grow a tree to the productive stage?

Mr. COLMER. These trees will begin to bear, I may say to the gentleman from Iowa in about 5 years on a small scale; they will reach the height of their production in about 15 or 20 years.

Mr. HUBER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. HUBER. If tung oil is the chief ingredient of paints and the paint companies are all making a good profit why are not the tung producers being taken care of?

Mr. COLMER. I thank my friend for that question.

Mr. Speaker, as I said a moment ago, at least 80 percent of the tung oil used in this country is imported from China. We are up against the proposition of competing with Chinese coolie labor; that is the answer to it. The paint people, naturally, are going to buy their product as cheaply as they can get it.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. HAYS of Ohio. The gentleman apparently is basing his argument on protection from importation. We have the same problem in a lot of industries in Ohio where imported products are coming in from Communist countries and putting our own industries out of business; yet we passed by an over-

whelming vote here an agreement to let them come in. What about that?

Mr. COLMER. I wish I had the time to answer the gentleman's question, but I cannot usurp all of the time.

Mr. Speaker, in the limited time left to me, I submit the following charts showing the imports, prewar consumption, and prices during the past 10 years for the information of the membership. They are as follows:

Imports	
	Pounds
1943	68,000
1948	133,282,000
United States production	
	Pounds
1943	5,310,000
1948	16,749,000
Domestic consumption	
	Pounds
1943	12,047,000
1948	129,739,000
Prewar consumption	
	Pounds
1933	103,859,000
1934	114,965,000
1935	128,022,000
1936	118,896,000
1937	150,157,000
1938	90,795,000
1939	105,596,000
Prices, New York	
	Cents per pound
1939	21.0
1940	26.3
1941	32.2
1942	39.6
1943	39.0
1944	39.0
1945	39.0
1946	39.1
1947	30.5
1948	24.6

Current price, about 21 cents.

IMPORT DUTY PROTECTION

Mr. Speaker, the question has been raised and will be raised no doubt during the debate on other remedies—for instance, import duties. Obviously, if we had an import duty or a tariff on tung oil to protect our American farmers from the vicious competition with Chinese coolie labor, we would not need a support price; but we all know that the administration is sold on the reciprocal trade agreements and, in fact, favors free trade. We, also, know that, notwithstanding the fact that tung oil is the only oil that does not have an import duty on it, the administration is opposed to such a duty because of their desire to help China. I may say in this connection that more than 4 years ago I introduced a bill that would require an import duty of 5 cents per pound on tung oil imported into this country. I again introduced that bill at the beginning of this session (H. R. 30). I have discussed this matter with the officials of the State Department and other administration leaders, but always I have met with a rebuff; and you and I know that, in view of the philosophy of the present administration, there is no chance whatever of getting such a duty imposed. I might say in this connection that I now have pending before the House Agricultural Committee a bill (H. R. 4393) which would establish protection in the form

of tariff parity on Chinese oil and other principal oils—including cottonseed oil, lard, inedible tallow, butter, grease, peanut oil, corn oil, soybean oil, linseed oil, tung oil, and marine oil—which are imported into this country in competition with our American farmers. In fact, I testified before the committee only last week in behalf of this bill; but I was forced to admit, in response to questions from the distinguished chairman, the gentleman from North Carolina [Mr. COOLEY] and others, that I had little hope of the President approving such a bill, if it were enacted into law. In fact, I believe he would veto it. Therefore, Mr. Speaker, I came to the conclusion many months ago that if we were to get any relief for this young industry we must do it in the form of a support price—hence my efforts have been directed largely to the enactment of this bill, H. R. 29.

CONTROLLED ACREAGE

Mr. Speaker, may I call the attention of the House to the fact that, as the bill will show, my bill, as originally introduced, provided for a support price of 90 percent of parity, or about 30 cents per pound for oil and about \$90 per ton for nuts, without any restrictions on the amount produced; but the committee, in its wisdom, saw fit to amend my bill to confine the support price to the present acreage planted. Frankly, I do not like this. I think our veterans and others who want to engage in the growing of tung should have the opportunity to do so; but the committee restricted it to the present usage upon the theory that to have unlimited production would cost the Treasury too much money. In fact, they argued that it would cost many millions of dollars if the industry was expanded substantially. They argued that it was unfair to pick out tung oil among many other commodities with no support price and mandatorily to support tung unless there were some restrictions upon its production. The committee further argued that the only basis that they could, therefore, provide for a mandatory congressional support for tung was upon the theory that it was a strategic war material, and, since the armed services required about 20,000,000 pounds a year, they must confine the bill to the present acreage, which it is estimated, when the trees are fully matured, will produce about 80,000,000 pounds of oil per annum. I understand that an amendment will be offered to remove this restriction on the theory that it is monopolistic. Of course, I shall not oppose such an amendment, but will look with favor upon it. On the other hand, we must be realistic and see that the industry is not expanded to the extent that the cost of the support price would result in the repeal of the legislation.

CONCLUSION

Finally, Mr. Speaker, permit me to say in all humility that, recognizing what this program means to my section and to the country, I feel that we have now reached the crossroads of this infant industry for the salvation and promulgation of which I have contributed my all for the past 6 years.

Today this House will say by its vote whether this infant American industry will survive or perish; whether my years of devotion and hard work to the cause will have been for naught; whether the industry will continue as a source of employment and revenue for the people of my section and whether the Government will have an ample supply of this strategic war material in the future, on the one hand, or whether the industry will go bankrupt, and the country will be dependent upon Russia, our only potential enemy in the world, on the other hand. Realizing this situation that the rest of the world may be dependent upon Russia in the final analysis, for this strategic material, Great Britain, I am informed by press reports, is now expending some \$5,000,000 in an effort to promulgate this industry in one of her African colonies. I do not see how we can afford to do less, particularly when we are possibly lending or giving Great Britain the money with which to do this.

It is for this House to decide. I leave it in your sympathetic hands. I realize that from a political point of view it has little political appeal since it affects only a few southern States, but, on the other hand, I have confidence in the integrity, fairness, and patriotism of my colleagues in this House.

THE SPEAKER. The time of the gentleman from Mississippi has again expired.

MR. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may need.

Mr. Speaker, House Resolution 289 makes in order the bill H. R. 29, introduced by the gentleman from Mississippi [Mr. COLMER].

This bill would permit the Secretary of Agriculture through the Commodity Credit Corporation to support the price of tung oil or tung nuts from which tung oil is manufactured and also to support the price of honey.

The bill has been reported by the Committee on Agriculture, I understand unanimously. The rule was reported by the Rules Committee unanimously. The rule provides for 1 hour of general debate on the bill.

The gentleman from Mississippi has explained rather thoroughly the importance of this bill, but if I might address myself to the subject for just a moment may I say that while there has been some legislative humor displayed in connection with this measure, it is one of the most important measures which has been before this House for a long time. It is not important just to those few counties, or to that little strip of land, along the Gulf coast where tung trees can be grown—and it is the only place on this continent that we can grow tung trees and produce tung oil—but it is of extreme importance to all of us.

MR. COLMER. Mr. Speaker, will the gentleman yield?

MR. BROWN of Ohio. I yield to the gentleman from Mississippi.

MR. COLMER. I just want to point out again, as I did a moment ago, that Great Britain, realizing this situation and what it is with reference to this strategic material, is now expending some \$5,000,000, according to press re-

ports, trying to grow this product in Africa.

MR. BROWN of Ohio. Mr. Speaker, I repeat, this measure is of utmost importance to every one of us. It is important to all of us because of the great value of tung oil to our national defense. It is also of especial importance to those of us who come from the northern part of the United States and have within our districts great industries that use tung oil. As the gentleman from Mississippi has explained, the great quantity, the great volume, of tung oil used in the ordinary processes of industry in this country comes from China. But it just so happened that the Japanese took over China a few years ago and we were soon at war. In 1 year during that time we were able to get only 63 pounds of tung oil from foreign sources. We were absolutely dependent upon our own domestic supply. The American Government has fostered, wisely I think, the planting of tung trees in this particular coastal area in southern United States where such trees would grow and develop, in order that we might have at least a little bit of a domestic supply to meet our needs in case of war. As the gentleman from Mississippi has so well explained, when war came, and even before war came, every single pound of tung oil that could be produced in this country was being produced on the orders of the United States Government, and every pound of it was being taken by the Government. Tung oil is not only used in the manufacture of high-grade paints and varnishes and, as the gentleman from Michigan mentioned, in the finish of automobiles and other products, but it is also of the utmost importance in time of war for the production and manufacture of delicate instruments. For instance it is the only liquid known to man that will coat and waterproof the fine wires which go inside of our bomb proximity fuses. My friends, some day it may be necessary for us to have a few of those proximity fuses to set off a bomb or so to save our civilization.

So this issue before us is something more than just a question of whether we are going to give price support to an agricultural product. The passage of this bill is of utmost importance to our national defense in time of war. I say to you very frankly, and I mean it from the bottom of my heart, that if you vote against the bill you are voting to endanger the safety and the security of the United States in the future, because Communist China can shut off the flow of tung oil to this country any time it desires to do so.

Whenever orders might come out of Moscow to shut off tung oil shipments to the United States of America you can rest assured, the way the world is right now, and especially as the result of the situation in the Orient, there would not be any tung oil reach this country, and it would not be very long until we would be in dire distress because of its lack. So, if you want to play Russia's game, just go ahead and have a lot of fun with this bill and try to kill this provision. This measure means a lot more to the United

States than the top cost of \$3,000,000 involved. I know whereof I speak, because some of these very important defense items I have mentioned are manufactured in Ohio, and I have been told by those who should know, and who do know something about the subject, that without tung oil and without a domestic source of supply—not a great supply, not enough to take care of all the needs of our paint manufacturers, no—but a domestic supply that will take care of our most important military needs in time of war, we might not be able to use the atomic bomb, and we might not be able to use much of the other electronic and electrical equipment so necessary in modern mechanized warfare.

So, I say to you, this bill is of the utmost importance. Let us lay aside everything else and think only of what is good for our country. I want to see the tung oil producers of these particular little strips or areas down along the Gulf coast treated fairly. Yes, that is important; for we want to be fair to every section of the country in all legislation; but far more important, if you please, is to protect our own lives, our own country, and our own future. We cannot afford to joke about this legislative matter and we cannot afford to play the "commie line" and vote against a bill such as this, because the small amount it may possibly cost is the best investment, in my opinion, and one of the most important investments we can possibly make. I have stood on this floor and fought for economy and voted against excessive appropriations, I have even fought against many Government supports. But, there are times when we have to spend a few dollars to protect the safety and the security of our people, and the future of this country, and this is one of those times.

Now, may I say a word or two about the rest of this bill. I come from a heavy agricultural area, as well as from a manufacturing section. I have been interested in agriculture. I have a farm or so of my own, and I know one thing, as every farmer in this House, and every authority on agriculture will tell you, that unless we have bees to pollinate our grasses, our clovers, and our alfalfas, that we are not going to have good alfalfa or good clover crops. When you do not have crops of that sort, good cover crops, in this country, then we will have terrific losses, of course, from eroded and washed-away land, as well as from the deterioration of land, and we will not produce the good grain and other crops that we need.

MR. DONDERO. How about fruit?

MR. BROWN of Ohio. And bees are very necessary to pollinate your fruits. I am not from the fruit country, but the gentleman from Michigan is absolutely right.

One of the best things we can do, as modern farmers are just beginning to learn, is what our forefathers did. Each had a stand or two of bees on the home farm in olden days, as the gentleman from Ohio well knows. The old-timers always had a few stands of bees around the homestead, for they were doing a good job pollinating the fruits, the grasses, and the clovers on their

farms, and they had good crops. Then, when the bees died out suddenly our crops began to deteriorate. The Committee on Agriculture of this House is to be congratulated on their wisdom and foresight in bringing out this legislation. This is one piece of legislation of the utmost importance to both agriculture and industry, as well as to our national defense. So, this is a good bill, and I hope it will pass without any difficulty.

Mr. McSWEENEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. McSWEENEY. In our neighboring city of Medinah, the A. I. Root Co. is very much interested in this problem. Because of the enormous number of bees in this country they do a tremendous business merely making beekeeper supplies.

Mr. BROWN of Ohio. Yes. But, I think above all else, as far as the honey program in this bill is concerned, is the benefits that the establishment of more and more bee stands and bees all over the country, and the keeping of more bees on farms, will bring to agriculture as a whole. We had better spend just a little money on this particular phase, and not quite so much on conserving the soil and trying to get alfalfa and clover to grow on barren land. If you want these crops to grow you have to pollinate them. So in my opinion, this is a good investment. I hope this rule will be adopted, and that the bill will be passed without a single dissenting vote or amendment.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Michigan.

Mr. CRAWFORD. First, may I say that with the exception of certain language I am going to point to in the bill, I think it is excellent, and I am certainly in favor of it. However, in lines 12 and 13 on page 2 appear the words "planted prior to the date of the enactment of this act." In my opinion, that language confers proprietary rights on those who planted prior to the date of the enactment of this Act.

Mr. BROWN of Ohio. That might possibly be so, but this is the reason, as I understand it and as it was explained before the Committee on Rules, for that particular language in the bill. We found in World War II that we did have, as a result of the expansion of production, just about sufficient acreage in tung nut trees in the southland to furnish our most important defense needs. The feeling in the Committee on Agriculture, as has been explained, was that the committee did not want to establish a program which would encourage other people, perhaps a great many people, to go into the production of tung nuts so that this program might grow into a costly thing; but that instead, they would guarantee that there would be a maintenance of the present orchards, so as to guarantee a supply in case of war.

I yield to the gentleman from Georgia [Mr. PACE], a member of the Committee on Agriculture, to explain the matter further.

Mr. PACE. May I add to what the distinguished gentleman has said, and

in response to the question of the gentleman from Michigan, that it is the general policy of the committee and the Congress in providing support prices on commodities of this kind to have marketing quotas. Of course, in the marketing quota law on cotton, corn, wheat, and the other commodities, the acreage allotment is to the present producers, so to that extent the same criticism the gentleman makes here could be directed to any marketing quota law. The committee found it was not possible with a tree crop to have a limitation through acreage allotments.

Mr. BROWN of Ohio. A tree crop means long-range production.

Mr. PACE. You could not make them go cut a tree down. Therefore, to bring the production within reasonable limitations of supply, the committee adopted this measure as the only method we knew comparable with marketing quotas.

Mr. BROWN of Ohio. I hope that answers the gentleman's question as to the reason why this language was included.

Mr. CRAWFORD. If I may say so, it does not, because I do not join that philosophy at all. Such a policy runs contrary to every principle of freedom of enterprise in the country.

Mr. BROWN of Ohio. The gentleman and I are in general accord on the worth of the free-enterprise system. This legislation does not prevent the gentleman from Michigan or anybody else from planting all the tung trees he wants, and producing all the tung nuts and tung oil he wants. It simply says that the support price that will be maintained applies only to those orchards and those trees that are now in production. It is exactly the same proposition as we have in many other agricultural bills.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HAYS of Ohio. It may allow anyone to go into the business, but it certainly discriminates against them. The committee report says that the present bill does not provide price support except for the acreage of trees that have already been planted. It sets up a monopoly.

Mr. BROWN of Ohio. I just explained that. I am terribly sorry that I am not sufficiently brilliant of mind to put it in words that the gentleman could understand.

Mr. HAYS of Ohio. The gentleman understands, but it establishes a monopoly just the same.

Mr. BROWN of Ohio. The thought is that if you leave the matter wide open then everybody who wants to plant tung trees could go ahead and put them in. You do not even have that provision in the agricultural bills which the gentleman has supported by his votes.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. PACE. This is identical to what would happen next year on wheat.

Mr. BROWN of Ohio. That is right, and also with respect to cotton.

Mr. PACE. They are making acreage allotments to wheat growers and giving

those allotments to people who are now growing wheat.

Mr. BROWN of Ohio. That is right. The allotment is based on the wheat that they have grown in the past.

Mr. PACE. Yet, anybody can grow as much wheat next year as they want to, but they do not get any price support.

Mr. BROWN of Ohio. That is the only difference.

Mr. PACE. It is identical with reference to these tung trees.

Mr. BROWN of Ohio. This is to maintain sufficient production to meet the needs of the United States in time of war. That is all there is to it.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield further?

Mr. BROWN of Ohio. I yield.

Mr. HAYS of Ohio. There is a difference here because the arguments of the proponents of this bill are that this is vitally necessary. The gentleman from Mississippi says that we produce only a small fraction of what this country needs and that the supply can be shut off at any moment.

Mr. BROWN of Ohio. No, no; the gentleman again did not follow me.

Mr. HAYS of Ohio. Yes, I follow the gentleman.

Mr. BROWN of Ohio. I guess I am so weak in the use of the English language that I cannot make it clear to the gentleman. But I will try to speak so the gentleman can understand. This will only guarantee the production of that tung oil which is needed in time of war and not that which anybody may want to use in making paint to paint a barn out in your district or mine. It is only to meet the military needs of this country in time of war for use by our National Defense Establishment, and not to cover all of our industrial needs. I think that it is wise. The committee has acted well in trying to hold down the cost and yet protect this country in its requirements for the Military Establishment.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CRAWFORD. Referring to the committee report at the bottom of page 4, item (3), it says:

Following the conclusion of the war, supplies from China have been imported in greatly increased quantities, and the price of tung oil on the open market in the United States has dropped to a point where domestic producers are facing disaster.

Mr. BROWN of Ohio. That is right.

Mr. CRAWFORD. Is not the way to meet that to put an import quota on tung oil and a tariff?

Mr. BROWN of Ohio. I agree with the gentleman fully. He and I have the same ideas. But we do not have that situation. The only thing we can do is to move in the most practical and quickest way to protect this tung-oil industry and crop for the benefit of the national defense, and not to leave ourselves open to the mercy of the Communist forces from Moscow who can on tomorrow, if they want to, say, "No more tung oil for the United States," and cut off our supplies of it like one would turn off a faucet. I do not want that. I do not want to be beholden to Moscow for any of our national defense needs. That is the reason

I voted for the stock piling of strategic materials and everything else which is necessary for national defense. I hope this resolution will be adopted, Mr. Speaker.

Mr. COLMER. Mr. Speaker, I yield 7 minutes to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Speaker, I know the Members are anxious to dispose of this legislation, and it will not be my purpose to take a great deal of time.

Neither one of these bills was introduced by myself. I want to explain if I may, briefly, the reason these two commodities, with perhaps no association otherwise, are here. They are here because of the fact we have a number of bills dealing with these two subjects. It is the thought of the committee that rather than bring each one here by itself, it would be perfectly proper to bring them before the committee and have them disposed of together.

It is true this is very important legislation. If there is any disposition on the part of anybody to laugh this legislation out of existence, it would be most unfortunate, because of the importance of the legislation to the economy of the country. As the gentleman from Ohio and the gentleman from Mississippi said, this legislation is important to our national defense. I trust the legislation will be considered entirely on its merits.

Considerable has been said about the tung-nut provision in this bill. There are many facetious things that might be said about it, but as I said before, I think it is important, and I hope that there is no attempt to amend this bill to make it inoperative. I am for both provisions of the bill because I sat in the hearings and heard the evidence. I am as fully convinced as the gentleman from Mississippi [Mr. COLMER] and the gentleman from Ohio [Mr. BROWN], who have preceded me, that it is good legislation.

With reference to the honey-bee portion of this legislation, naturally every one of you have honey bees in his district. This bill is for the benefit of the little farmers. It is for the little man, without political influence and who cannot furnish lobbies to come here to Washington. Therefore, I am glad that there were Members of Congress who took the responsibility of representing this group. Regardless of the size and the amount they contribute to our economy, you cannot very well get along without either one of them.

Very shortly now we will come face to face with what we are going to do about our fruit trees and our vegetables. The evidence was clear before the committee that there is a tendency now to go out of the bee business entirely. It has been shown that in those areas where there are not sufficient bees, the production of certain crops is going down and down. During the war the same thing maintained in the honey business as maintained in the oil business. There was an upsurge in production and there was a great deal of honey produced. When the war was over and sugar was available honey became a drug on the market. These people want to stay in the busi-

ness. They not only produce honey but they furnish the bees to pollinate the crops, and are entitled to the protection that we propose to give them under the provision of this bill. These are little items. You can talk about cotton and wheat and all those big crops which have political pressure groups behind them, but here is something that is just as fundamental and just as important, done by people who have no political influence.

Now, what has happened throughout the country to make assistance to the honeybee producers necessary? In the last 2 years we have developed insecticides. Unfortunately, in killing the insects and pests, we have also killed the honeybees. Something must be done for the producers of honey. I grant that this is not the entire answer to it. I hope the measure under discussion will assist in stimulating the production of bees. I could go to some length in talking about the necessity for this industry.

The gentleman from California [Mr. WHITE] and the gentleman from Louisiana [Mr. MORRISON], who sponsored these bills and furnished the evidence before the committee that convinced us that they had a good case, will explain the bill. I hope the membership will not only adopt this rule but will pass this bill unanimously, because I am sure that it is not only in the interest of future security but that it is also in the interest right now of agriculture in every State of the Union.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. WIER. Being a member of the Committee on Agriculture, I ask the gentleman this question: In connection with the planting and maintenance of these tung orchards in the four States bordering the Gulf of Mexico, did the gentleman have any information as to the ownership of the tung orchards, as to whether they were in the hands of individual growers or organized groups who would be helped by this legislation?

Mr. GRANGER. I may say to the gentleman from Minnesota that some are in the hands of small groups and others in the hands of large groups; but there is nothing we can do about it. All of our agriculture, for that matter, is in the hands of groups, some large, some small. There is no way I know of that we can discriminate against persons because they are either large or small operators.

Mr. Speaker, I urge the adoption of the rule and the adoption of the bill.

The SPEAKER. The time of the gentleman from Utah has expired.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The question was taken and the Chair announced that the ayes appeared to have it.

Mr. HAYS of Ohio. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.]

Ninety Members are present. The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

Mr. COLMER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. COLMER. Is this a quorum call?

The SPEAKER pro tempore. This is an automatic vote on the resolution.

Mr. BROWN of Ohio. If the Chair will permit, this is an automatic roll call on the adoption of the rule.

The SPEAKER pro tempore. The gentleman from Ohio is correct.

The question was taken; and there were—yeas 335, nays 21, not voting 76, as follows:

[Roll No. 152]
YEAS—335

Abernethy	Crook	Heffernan
Addonizio	Crosser	Heller
Albert	Cunningham	Herlong
Allen, Calif.	Curtis	Herter
Allen, Ill.	Dague	Heseltun
Allen, La.	Davenport	Hill
Andersen,	Davis, N. Y.	Hobbs
H. Carl	Davis, Ga.	Hoeven
Anderson, Calif.	Davis, Tenn.	Holmes
Andresen,	Davis, Wis.	Horan
August H.	Dawson	Howell
Andrews	Deane	Irving
Angell	DeGraffenried	Jackson, Calif.
Arends	Delaney	Jackson, Wash.
Aspinall	Denton	Jacobs
Auchincloss	D'Ewart	James
Barden	Dollinger	Javits
Barrett, Pa.	Dolliver	Jenkinson
Barrett, Wyo.	Dondero	Jenkins
Battle	Donohue	Jennings
Beall	Doughton	Jensen
Beckworth	Douglas	Johnson
Bennett, Fla.	Doyle	Jonas
Bennett, Mich.	Durham	Jones, Ala.
Bentsen	Eberhart	Jones, Mo.
Biemiller	Elliott	Jones, N. C.
Bishop	Ellsworth	Judd
Blatnik	Engel, Mich.	Karst
Boggs, Del.	Engle, Calif.	Karsten
Boggs, La.	Evins	Kearney
Bolling	Fallon	Keating
Bolton, Md.	Feighan	Keefe
Bosone	Fenton	Kelley
Boykin	Fernandez	Kennedy
Bramblett	Fisher	Keogh
Breen	Flood	Kerr
Brehm	Forand	Kilburn
Brooks	Ford	Kilday
Brown, Ga.	Furcolo	King
Brown, Ohio	Gamble	Kirwan
Bryson	Garmatz	Klein
Buchanan	Gary	Kruse
Buckley, Ill.	Gathings	Lane
Burdick	Gavin	Lanham
Burke	Gillette	Latham
Burleson	Golden	LeCompte
Burnside	Goodwin	Lemke
Burton	Gordon	Lesinski
Byrne, N. Y.	Gorski, Ill.	Lichtenwalter
Byrnes, Wis.	Gorski, N. Y.	Lind
Camp	Gossett	Linehan
Canfield	Graham	Lodge
Cannon	Granahan	Lovre
Carlyle	Granger	Lucas
Carnahan	Grant	Lyle
Carroll	Green	Lynch
Case, N. J.	Gregory	McConnell
Case, S. Dak.	Gross	McCormack
Celler	Gwinn	McCulloch
Chelf	Hagen	McDonough
Chesney	Hale	McGuire
Chiperfield	Hall	McMillan, S. C.
Church	Edwin Arthur	McMillen, Ill.
Clemente	Hall	McSweeney
Cole, Kans.	Leonard W.	Mack, Ill.
Cole, N. Y.	Halleck	Mack, Wash.
Colmer	Harden	Macy
Combs	Hare	Madden
Cooley	Harris	Magee
Cooper	Hart	Mahon
Cotton	Harvey	Mansfield
Cox	Havener	Marcantonio
Crawford	Hébert	Marsalis

Marshall	Pickett	Sullivan
Martin, Iowa	Poage	Sutton
Martin, Mass.	Polk	Tackett
Morrow	Poulson	Talle
Michener	Preston	Teague
Miles	Price	Thomas, Tex.
Miller, Calif.	Priest	Thompson
Miller, Md.	Rabaut	Thornberry
Miller, Nebr.	Rankin	Tollefson
Mills	Redden	Trimble
Mitchell	Reed, Ill.	Underwood
Monroney	Reed, N. Y.	Van Zandt
Morgan	Rees	Velde
Morris	Regan	Vorys
Morrison	Rhodes	Vursell
Moulder	Rich	Wadsworth
Multer	Riehman	Walter
Murdock	Rivers	Weichel
Murphy	Rodino	Welch, Mo.
Murray, Tenn.	Rogers, Fla.	Werdel
Murray, Wis.	Rogers, Mass.	Wheeler
Nelson	Rooney	White, Calif.
Nicholson	Roosevelt	White, Idaho
Nixon	Sadlak	Whittington
Noland	Sadowski	Wickersham
Norblad	St. George	Wier
Norrell	Sanborn	Wigglesworth
Norton	Sasscer	Williams
O'Brien, Ill.	Scrivner	Willis
O'Konski	Scudder	Wilson, Ind.
O'Neill	Secrest	Wilson, Okla.
O'Sullivan	Simpson, Ill.	Wilson, Tex.
O'Toole	Simpson, Pa.	Winstead
Pace	Slms	Withrow
Patten	Smathers	Wolcott
Perkins	Smith, Kans.	Wolverton
Peterson	Smith, Wis.	Wood
Philbin	Spence	Woodruff
Phillips, Calif.	Stefan	Worley
Phillips, Tenn.	Stockman	Zablocki

NAYS—21

Bates, Mass.	Hollifield	Ribicoff
Christopher	Huber	Scott, Hardie
Corbett	Kean	Shafer
Fulton	Kearns	Tauriello
Hand	Kunkel	Wagner
Hays, Ohio	McCarthy	Yates
Hoffman, Mich.	Ramsay	Young

NOT VOTING—76

Abbutt	Hedrick	Quinn
Bailey	Hinshaw	Rains
Baring	Hoffman, Ill.	Richards
Bates, Ky.	Hope	Sabath
Blackney	Hull	Scott
Bland	Kee	Hugh D., Jr.
Bolton, Ohio	Larcade	Sheppard
Bonner	LeFevre	Short
Buckley, N. Y.	McGrath	Sikes
Bulwinkle	McGregor	Smith, Ohio
Cavalcante	McKinnon	Smith, Va.
Chatham	Mason	Staggers
Chudoff	Meyer	Stanley
Clevenger	Morton	Steed
Coudert	O'Brien, Mich.	Stigler
Dingell	O'Hara, Ill.	Taber
Eaton	O'Hara, Minn.	Taylor
Elston	Passman	Thomas, N. J.
Fellows	Patman	Towe
Fogarty	Patterson	Vinson
Frazier	Pfeifer	Walsh
Fugate	Joseph L.	Welch, Calif.
Gilmer	Pfeiffer	Whitaker
Gore	William L.	Whitten
Hardy	Plumley	Woodhouse
Harrison	Potter	
Hays, Ark.	Powell	

So the resolution was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Whitten with Mr. Towe.
 Mr. O'Brien of Michigan with Mr. Hugh D. Scott, Jr.
 Mr. Larcade with Mr. Coudert.
 Mr. Staggers with Mr. Eaton.
 Mr. Vinson with Mr. Hope.
 Mr. Chudoff with Mr. Taber.
 Mr. Fogarty with Mr. Taylor.
 Mr. Gore with Mr. Smith of Ohio.
 Mr. Gilmer with Mr. Short.
 Mr. Richards with Mr. Blackney.
 Mr. Sikes with Mr. McGregor.
 Mr. Rains with Mr. Mason.
 Mr. Stanley with Mr. Patterson.
 Mr. McGrath with Mr. Potter.
 Mr. Hays of Arkansas with Mr. Elston.
 Mr. Cavalcante with Mr. LeFevre.

Mr. Bonner with Mr. Hinshaw.
 Mr. Harrison with Mr. O'Hara of Minnesota.

Mr. Abbutt with Mr. Fellows.
 Mr. Hardy with Mr. Hoffman of Illinois.
 Mr. Dingell with Mr. Welch of California.
 Mr. Walsh with Mr. Meyer.
 Mr. Patman with Mr. William L. Pfeiffer.
 Mr. Passman with Mr. Hull.
 Mr. Fugate with Mr. Plumley.
 Mr. Whitaker with Mrs. Bolton of Ohio.
 Mr. Stigler with Mr. Morton.

Mr. CANFIELD changed his vote from "nay" to "yea."

Mr. TAURIELLO changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

SPECIAL ORDER GRANTED

Mr. HORAN (at the request of Mr. BROWN of Ohio) was given permission to address the House for 20 minutes today, following the legislative business of the day and the other special orders heretofore entered for today.

BIRTHDAY GREETINGS TO EX-PRESIDENT HOOVER

Mr. HERTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 59, which is on the Speaker's desk.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby extends to the Honorable Herbert Hoover, our only living ex-President, its cordial birthday greetings on his seventy-fifth birthday, and expresses its admiration and gratitude for his devoted service to his country and to the world; and that the Congress hereby expresses its hope that he be spared for many more years of useful and honorable service; and be it further

Resolved, That the Secretary of the Senate transmit a copy of this resolution to Mr. Hoover.

The SPEAKER pro tempore (Mr. MONROE). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HERTER. Mr. Speaker, I ask unanimous consent to proceed briefly.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized.

Mr. HERTER. Mr. Speaker, I think all Members of the House heard the resolution as it was read by the Clerk.

On August 10 our only living ex-President, Herbert Hoover, will be 75 years of age. For the last 35 years he has devoted himself exclusively to the service of the people of the United States, either in a public or private capacity. I have no intention now of taking the time of the House to rehearse Mr. Hoover's entire career, for I believe it is known to all of us. I do feel, however, that it is only an appropriate resolution to pass at this time, it having already passed the other

body. I may add that I introduced a similar resolution in the House today.

During recent years, in spite of his previous many, many years of devoted service, Mr. Hoover has given perhaps more vitality, energy, and ability to the service of the American people than any other great public figure. It seems to me only appropriate that at this time we should pay this tribute to a great American who certainly deserves it from all of us.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I wish to join my good friend and colleague, the gentleman from Massachusetts [Mr. HERTER] in paying tribute to a great American. It has been my privilege to know Mr. Hoover intimately for more than a quarter of a century, and during all that period I knew the high motives and ambitions which prompted his great public service.

As Speaker of the last Congress it became necessary for me to designate several people to serve on what afterward came to be known as the Hoover Commission. I mention this to show how generous he was of his time and his ability where he could aid his country. I believed he could do a tremendous, worth-while service because of his wide knowledge of the Government. Mr. Hoover at the time was trout fishing in Idaho. He left the fishing and came to the telephone. I told Mr. Hoover that we had a great service, and I believed he alone could do it and arouse the attention of the country. Without an instant's hesitation he said, "If I can be of service to my country I want to do it."

That is the spirit of Mr. Hoover. In the twilight of his life, with no expectation of future reward, he was willing to undertake a laborious task which might rescue the country from serious financial difficulties. The country is fortunate in having such a splendid citizen as Mr. Hoover, and I am indeed happy to express my felicitations and best wishes on his seventy-fifth birthday anniversary.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, it is a pleasure for me, not only in showing the unanimity of opinion of the membership of the House on both sides of the aisle, but to express my personal views and to join with the distinguished gentleman from Massachusetts [Mr. HERTER], who has offered the resolution, and my distinguished friend from Massachusetts [Mr. MARTIN], minority leader, in congratulating former President Herbert Hoover and to extend our sincere wishes that God will bless him with many years of future life and happiness and of future service to our country.

If there is one office in our country that everyone with a rational mind respects, and fortunately most Americans possess a rational mind, it is the office of the President of the United States. No matter how much we might disagree with the judgment of the occupant of the office

of President, we all thoroughly respect him. When former President Hoover occupied that office he rendered an effective service to our country in accordance with his policies. Many of us disagreed with him at the time, as we had a perfect right to disagree with his judgment; but I remember in my service here at that time that all Democrats respected him personally and respected him as the Chief Executive of our country.

He is the only living former President of the United States, and without regard to politics each and every one of us as individuals and as Americans can take pride in the fact he is with us and the fact he is continuing to render outstanding public service. We all join by unanimously passing this resolution in conveying to former President Hoover a message I know he will always value. He is a great American, he is a great man, and we Democrats join with our Republican colleagues in this public manifestation of congratulations and respect to former President Hoover in the passage of the pending resolution.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I wish to take a moment or so to join with the gentleman from Massachusetts [Mr. HERTER], who, by the way, served with Mr. Hoover during the days immediately following the First World War in taking relief to the hungry and distressed peoples of Europe; in supporting this resolution. I had the pleasure and the high privilege of nominating Mr. Hoover as chairman of the Hoover Commission, and of serving with him for 2 years on that commission. At the time the commission concluded its labors I attempted, in the House, in my feeble way, to pay tribute to this great American. I want to commend the gentleman from Massachusetts [Mr. HERTER], who has called up this resolution, our minority leader [Mr. MARTIN], who appointed Mr. Hoover to the Commission on the Organization of the Executive Branch of the Government, and who has been Mr. Hoover's lifelong friend, and especially do I want to commend the gracious and the generous words of our distinguished majority leader [Mr. McCORMACK].

I know of no tribute or action that could be taken which would be more pleasing to Mr. Hoover than this deserved recognition by the Congress of the United States through the adoption of this resolution in appreciation of the great contributions he has made to his beloved country and to all humanity.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota.

There was no objection.

Mr. VORYS. Mr. Speaker, I recently was asked to give a list of the five greatest living Americans. I wrote down the name of Herbert Hoover, and then stopped. There were no other names I could add to a list he headed. He stands in a class by himself. I want to join in the tributes by my colleagues to this great and good man. God bless him.

Mr. McDONOUGH. Mr. Speaker, I am happy to join with the gentleman from Massachusetts [Mr. HERTER] in paying the proper respect and honor due to the Honorable Herbert Hoover on his birthday anniversary.

One of my very dear and most highly respected friends, Mr. Joseph Scott of Los Angeles nominated Mr. Hoover for President of the United States in 1928. He recently wrote me stating that it has taken the people of this Nation a long time to fully appreciate the greatness of Mr. Hoover who has always given his services freely and willingly to the United States and the world to bring about more orderly and efficient government and for the welfare and comfort of the people all over the world.

Mr. Hoover is a great statesman and has given us the benefit of his rare judgment and talents in reorganizing the Government through the Hoover Commission. He has shown his great unselfishness in directing the relief to the stricken nations of the world following World War I and II. We owe him much and it is fitting and proper that we render to him the honor due him on this occasion.

Mr. JENKINS. Mr. Speaker, there is little doubt that a great majority of the American people will agree with me when I say that former President Herbert Hoover is the greatest living American. I say this because those who in the past criticized him most severely never at any time challenged his integrity, his honor, or his Americanism. Further I say that Mr. Hoover is the greatest living American from the standpoint of knowledge of the Government and its complex and far-reaching activities. I feel safe in making this statement because Mr. Hoover is a man of great intellect and great natural ability. In addition to these fine natural qualities, he has devoted his time and energy to acquiring knowledge of the Government.

Mr. Roosevelt and Mr. Truman repeatedly paid him a great compliment by calling him to give Government service because they must have appreciated that he was the best qualified man in America to do the things they requested him to do.

Mr. Hoover has my most profound respect and I sincerely hope that he may be spared to live with us in America for many years to come.

Mr. MICHENER. Mr. Speaker, it is a privilege to join with my colleagues in congratulating former President Herbert Hoover on his seventy-fifth birthday. When Mr. Hoover entered the President's Cabinet as Secretary of Commerce, I was a Member of Congress. In those days he was affectionately known by his friends in the Department and in Government as the chief.

To know Herbert Hoover is to love and respect him. He is truly a great man. This country never had a more progressive or a better Secretary of Commerce. As President, he was efficient, fearless, and independent. His service came at an unfortunate time. I think it has been truly said that he has always been more of a statesman than a politician. History will so record him. I was here during his term as President and well remember when the economic wave struck our country. This was not President Hoover's fault, and today the country recognizes that fact.

It is most interesting to hear the distinguished majority leader's [Mr. McCORMACK] appraisal of Mr. Hoover, and I am sure Mr. McCORMACK's tribute is accurate and will mean much to Mr. Hoover. The entire country, regardless of political affiliations, is today paying tribute to this great man. It is well to scatter the flowers before the funeral and, as one humble Member of the House who served in Government with Mr. Hoover when he was Secretary of Commerce and when he was President, and knew him well, I am honored to be permitted to pay my tribute and to wish for him many more years of health, happiness, and usefulness.

Mr. WIGGLESWORTH. Mr. Speaker, it has been my privilege and good fortune to know former President Hoover ever since 1922 when I was serving in the Office of the Secretary of the Treasury.

I knew him as Secretary of Commerce. I knew him and saw him frequently as a member of the World War Foreign Debt Commission. I served in Congress 4 years while he was President of the United States.

I have known him over the intervening years and have seen the great contribution which he has made to humanity in America and in the world.

His outstanding record of public service is known to us all.

I am happy on this occasion to join in extending to this great American, on his seventy-fifth birthday, heartiest congratulations and all best wishes for every possible happiness in the years to come.

Mr. MCSWEENEY. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Ohio.

Mr. MCSWEENEY. Mr. Speaker, to what was said by the distinguished gentleman from Massachusetts I would like to add my commendation. I would like to say that Mrs. Hoover was a native of my home town of Wooster, Ohio. She came to us and gave us many inspirational helps in the past. She was interested in our college and our city. In President Hoover and Mrs. Hoover we had a personal interest and knew them not as public officials only, but we knew them as genial, kindly friends. I would like, therefore, just to add my humble tribute.

Mr. MARTIN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Iowa.

Mr. MARTIN of Iowa. Mr. Speaker, I want to join in this great tribute to a great American, Herbert Hoover. I commend the gentleman from Massachusetts

[Mr. HERTER] for bringing in this resolution and bringing the matter to the attention of the House at this time. I had the honor and the privilege of attending Mr. Hoover's seventy-fourth birthday celebration 1 year ago at his birthplace, West Branch, Iowa, in my district, when 10,000 Iowans gathered together to help him celebrate the event. We heard him make a very inspiring talk on Americanism that impressed us tremendously. We were indeed happy and honored by the privilege of attending his seventy-fourth birthday anniversary celebration and to welcome him back to his birthplace. I join with the others in extending to former President Hoover on his seventy-fifth birthday the best wishes of the Iowa delegation in the House of Representatives for many more happy returns of the day.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from California.

Mr. PHILLIPS of California. Mr. Speaker, those of us who come from the west coast take particular pride and pleasure in supporting this resolution of affection and respect for our former President, Herbert Hoover.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. CROSSER asked and was given permission to extend his remarks in the RECORD on H. R. 1758.

PARITY ON TUNG NUTS AND HONEY

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 29) to amend the Agricultural Adjustment Act of 1939, as amended, to provide parity for tung nuts, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 29, with Mr. McSWEENEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, during the war this country was practically cut off from its supply of tung oil from China, and as a result it was necessary to greatly expand tung nut production in this country.

Tung nuts are the source of tung oil, an almost indispensable ingredient of many important industrial products, such as paint, electrical insulation, and so forth. Tung oil is a strategic and critical war material and was designated as such in the President's list of critical war materials. Tung oil was so vital to our economy during the war that our Government found it necessary to require that the total domestic production be acquired by the Government and channeled into war uses.

In addition to further assure maximum production of tung nuts, an agri-

cultural program was established under which farmers were paid a payment of \$5 per acre for each acre in bearing tung nut trees.

In 1945 the Government put into effect a tung oil purchase program which reflected approximately 37 cents per pound for the oil. A tung oil price program was also put into effect in 1947. No price-support program has been in effect since that date.

As a result of the expansion of tung orchards during the war, there are at present about 275,000 acres in tung trees and production of tung oil has increased from 2,290,000 pounds in 1932, to 16,749,000 pounds in 1948. This production is still far below the amount required for domestic consumption.

During the war our imports fell to 68,000 pounds. Since the close of the war, however, imports of tung oil have increased so rapidly that the domestic price has been driven down to a point where producers will be forced to abandon the tung orchards unless they are given some form of price support. Imports increased from 68,000 pounds in 1943 to 133,282,000 pounds in 1948, and the price has declined from approximately 39 cents per pound to about 21 cents per pound.

The bill is designed to provide price support only for the acreage of trees which has already been planted. It is not the intent of the committee to encourage an expansion of production above present levels. The committee does feel, however, that tung nut producers who responded with increased production during the war should not now be put out of business merely because supplies are again available from China. Moreover, and of even greater significance, this bill will assure the production of a small but essential supply of a critical war material and serve as a safeguard to our economy in the event our supplies from China are again cut off. With China rapidly falling under Communist domination and control, it is more essential than ever before that this country not be placed in a position where it is entirely dependent upon supplies from China.

To summarize some of the reasons why this bill should be enacted, I call your attention to these facts.

Tung oil is a strategic and critical war material.

Tung oil production in the United States has increased approximately 700 percent to provide essential supplies which were no longer available from China.

Following the conclusion of the war, supplies from China have been imported in greatly increased quantities and the price of tung oil has dropped to a point where domestic producers are facing disaster.

Price-support operations have not been in effect since 1947, the year in which greatly increased quantities again became available from China.

Unless given support, the tung-nut industry faces complete collapse, with bankruptcy to the producers and the loss of a safeguard to the Nation provided by a domestic tung oil industry.

Flaxseed are now supported and linseed oil is a competing oil, or is used in connection with tung oil.

There is no duty on tung oil coming in to take the domestic oil market.

I should like to mention the fact that this bill deals not only with tung oil but with honey. Honey is likewise an important commodity, not because of the honey itself but because of the importance of the honeybee in the process of pollination.

More than 50 important crops in the United States depend upon bees and other insects for pollination.

In recent years powerful new insecticides, such as DDT, have made serious inroads on wild bees so that growers of many crops are now dependent on domestic bees for almost the whole pollination job.

Since the war, the price of honey has declined to the point where many beekeepers are now going out of business. The parity price of wholesale extracted honey was 17.6 cents per pound on July 15, 1949. In 1947 the season average price was 22 cents; in 1948 it declined to a season average of 14 cents; and on August 1, 1949, the price was about 9½ to 10 cents.

Producers of many crops are already suffering from lack of bee pollinators and unless there is immediate relief to the honey industry, many more beekeepers will go out of business during the coming winter.

The bill will give the industry price support at 60 to 90 percent of parity, which will be about 10½ to 15½ cents per pound.

Production of honey in the United States was about 206,000,000 pounds in 1948. Honey purchased in price-support operations can readily be disposed of through school-lunch programs and elsewhere and it is not anticipated that the Government would have to buy any substantial portion of the crop in order to maintain the price at the support level.

I would like to call attention to the fact that at first it was assumed there would be no opposition to this bill. My recollection is that it was unanimously reported by the Committee on Agriculture, as well as by the Committee on Rules. For some reason some opposition seems to be developing to the bill for the reason that the committee inserted the word "honey" in the bill and sought to provide a support program for honey.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENSEN. I wish to compliment the chairman of the Committee on Agriculture and every member of that committee for including honey in this bill. Certainly there is no commodity in America today which is so important to the welfare and future of America as the honeybee; because without the honeybee, as the gentleman has just stated, we would soon perish as a people for the simple reason that the honeybee pollinates the seed and without pollination there would be no seed to grow. If anyone criticizes the committee for the inclusion of the word "honey" in this bill,

I hope they will learn something about the value of the honeybee, because the gentleman has just explained that the price of honey has gone down to such an extent that it is becoming unprofitable to keep bees. For that reason our bee population has dwindled to a dangerously low level. I compliment the gentleman for including honey in this bill.

Mr. COOLEY. I thank the gentleman very much. I would like to call attention to the unfortunate situation that after we had assumed there would be no opposition to this bill and that there was more or less universal approval of it, we are now faced with the possibility that a point of order may be made against the bill because the title was not amended so as to conform with the rules of the House.

But, let it be understood that whoever makes the point of order will be striking honey out of this bill and must take the responsibility for defeating a price support program for honey. Honeybees are just as important in other districts as they are in my district. The committee, after careful consideration, decided to provide a support program for honey so that the beekeepers of this Nation might stay in business. It would be unfortunate, it seems to me, if this program is defeated because of a point of order.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. PHILLIPS of California. Will the gentleman point out that it is not a matter merely of the sale of honey, but the fertilization of the fruit trees and that without the honeybees the fruit crops of the United States would be left without bees if we do not support the honey program.

Mr. COOLEY. I think the gentleman is entirely correct and I think most Members of the House, who have given any consideration to this subject, appreciate the fact that the honeybee is important to the agricultural economy of the Nation. I hope the point of order will not be made.

As evidence of the fact that these dilatory pleas are not meeting with the approval of the House we have but to look at the vote which was taken on the rule, 335 in favor of the adoption of the rule, and only 21 against the rule. It seems to me the House should be permitted to work its will on this legislation and that it should be passed by an overwhelming vote.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, in 1937 I came back from southeastern Europe with what I thought was a new commodity for California—the tung-nut industry—only to discover that while California has a climate which I should be glad to discuss with you at length, if you would like, it is not a climate as satisfactory as that of Louisiana or Florida or some of the other Southern States for the production of tung nuts. I did discover at that time its great value in this country, in industry. It is necessary that a bill of this kind be passed.

The inclusion of honey is just as necessary. Perhaps I might say more so, because it is so very necessary to every area in which fruits and many other agricultural products are produced. Without bees there is no fertilization. Without fertilization, we do not have agricultural fruits and commodities. Unless the owners of the bees can sell honey, they do not keep bees. That is a simple equation.

It is my belief, from the last 2 years' experience, that little money will be needed for a support price for honey. It may be, but I think very little. My observation has been that if there is a support price available, then the middleman, that is, the processors and the distributors of honey, will keep the price up. The sources of supply are rather concentrated. We are thus able to maintain a stable economy, which is necessary in bees and honey for the United States.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to my colleague from California.

Mr. JOHNSON. In 1947, they canned over 53,000,000 cases of fruit in California. If the bee population decreased very materially, it would greatly lower the production of agricultural products. It runs into millions and millions of dollars in our State.

Mr. PHILLIPS of California. I think some of our city friends are not familiar with all the facts about the bees and the birds. We have to have bees in order to give you folks the food you eat in the cities, and not only to supply you with the honey itself.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Michigan.

Mr. DONDERO. I think in addition to the importance of the honeybee, in the pollination of fruits and other crops that mankind needs, the honeybee sets a splendid example for us in its toil and ceaseless industry. They take care of the drones who will not work and dispose of them.

Mr. PHILLIPS of California. It is a good example.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I would like to say that this is important legislation. There is not any question in my mind but what we have about reached the end of the line when it comes to forgetting the American producers. We have reached the place where we must begin to respect and consider farm products and the industries of this country that are in difficulty because of the postwar period. If I should mention a tariff, I know a great many of you would begin to frown and you would begin to make remarks to me that it was bad business. So you open the door and you come in the back way, and here you have before you today a proposition that will protect the tung industry. I for one am in favor of protecting tung

nuts. There is no reason in the world, and I say this without fear of contradiction, why we should buy a single pound of tung nuts from Communistic or any other part of China.

That is exactly what you are doing. If I had the time I would like to read the testimony given by a gentleman from the State Department when we asked him if he would protect these small American industries. It would be an eye-opener to every one of you. Of course he would not protect a single one of them. When I reminded him that cotton itself amounted to about 5 percent of all American agricultural products, and would he protect cotton? Of course he would not. He said, "You have your redress. You can take your grievances down to the Tariff Commission."

Then one of the members of the committee said, "When did the Tariff Commission ever offer any opportunity to correct any of the troubles that these agricultural products find themselves in because of the postwar era?"

Let me say another thing, honey finds itself in the same position. Someone mentioned honey in regard to agriculture. You would not, of course, have any plums without bees, but we will get into the fruit a little later. You would not have any alfalfa seed without bees. We have done such a great job of destroying insects—and that is true—that we have lost the assistance of insects in pollinating our plants, and about the only thing we have left are the bees. If you do not believe it look it up in your agricultural yearbook.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HILL. I am happy to yield to the gentleman from Michigan.

Mr. CRAWFORD. Under the 5-minute rule I plan to offer an amendment to strike out the language "planted prior to the date of the enactment of this act." We have this particular situation, that we are dependent upon China for our supply of tung oil, all except 10 percent; here is a bill presumably to protect the consumers and producers of this country. The situation should be reversed; we should be producing 90 percent of our tung oil and importing 10 percent. I hope the membership will go along with this amendment to encourage the growing of tung nuts in the United States.

Mr. HILL. They should be protected up to the limit of our consumption.

Mr. CRAWFORD. We should be independent at least to the extent of 35 percent.

Mr. HILL. The gentleman has anticipated what I was going to say. I myself expect to offer an amendment. I can see a smile on some of the Members' faces when I mention that I am going to offer an amendment, but we might just as well face it now as later, for it certainly will have to be faced, but perhaps the smiles and snickers will fade away when we come to paying the import fees. The truth is that foreign countries are producing more than ever today, they are producing over 100 percent of prewar and we have got to meet that competition

or lose our markets, and that is something I do not want to have happen.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield two additional minutes to the gentleman from Colorado.

Mr. HILL. Mr. Chairman, this amendment has to do with Angora rabbit wool. My amendment will be offered to page 4, line 11, following the words "including mohair" to insert the words "and Angora rabbit wool."

Let me give you the history of this product and show you how important it is to a segment of our population to whom we owe so much, our disabled veterans:

In 1947 a special subcommittee on fur whose chairman was the Honorable REID F. MURRAY, of Wisconsin, supported by the following Members: EDWIN ARTHUR HALL, New York; PAUL B. DAGUE, Pennsylvania; NORRIS COTTON, New Hampshire; WALTER K. GRANGER, Utah; JOHN L. McMILLAN, South Carolina; THOMAS G. ABERNETHY, Mississippi; and E. L. BARTLETT, Alaska; held hearings on the fur situation from May 19 through 21, 1947. On page 120 of the hearings to page 141, inclusive, the hearings give some very important and enlightening information on the Angora rabbit wool production.

Mr. C. W. Orr, secretary and treasurer of the American Angora Rabbit Breeders Cooperative, Palmer Lake, Colo., gave some very interesting information and a detailed history of the rise and development of the industry. He was followed by Mr. John J. Riggle, National Council of Farmer Cooperatives, Washington, D. C., who also added much information to the statements made by Mr. Orr. Mr. Riggle was followed by Mr. Harold E. Dickison, secretary and legal counsel, Angora Advisory Council, Cleveland, Ohio. Mr. Dickison explained in detail how the Angora rabbit wool was produced, graded, and marketed. In addition to these gentlemen just mentioned, former Congressman J. Edgar Chenoweth and Congressman WESLEY A. D'EWARD also appeared in support of legislation on this matter.

A brief history of the Angora rabbit wool production in the United States as reported by the Colorado Cooperative Council, Inc., 632 Cooper Building, Denver, Colo.—I quote:

As far back as 20 and 25 years ago, a sizable number of persons in this country were raising Angora rabbits, chiefly for pets and as a hobby. These people began to pluck or shear the hair or wool and to experiment in the making of yarns, and from these yarns began to make various articles of wearing apparel. These people began to find that in many respects this wool was a superior article, and as its use became more widespread, the breeding and development of larger Angora herds followed suit. This continued, particularly in Colorado, until growers began to be concerned about a system of marketing that would take care of their production and provide for them a price that would cover the cost of production with a margin of profit for their work.

The result was that about 1938 the American Angora Rabbit Breeders Cooperative, Inc., a nonprofit marketing association, was started with headquarters at Palmer Lake, Colo. The organization in its early days had

a very small production, but their pioneering efforts demonstrate that by careful study of production, breeding, along with orderly marketing, it was possible to build a profitable industry. Their modest start of 11 members with an initial capital of \$22 has grown to a membership of more than 7,000 breeders in every State of the Union and handling a very large percentage of all of the Angora wool produced in the United States.

This producer membership is made up of people in all walks of life who have investments running from a few dollars to several thousand dollars each. Many of them are people who because of age, physical handicap, or other reasons are unable to engage in very active work. This industry affords them an opportunity for a respectable living and in many, many cases prevents them from becoming objects of charity in their communities.

We think this story is typically American, and that the building of this small industry required as much initiative, vision, and effort as has gone into the building of many other American enterprises.

The success of the American Angora Breeders Cooperative led to the establishment of similar marketing organizations in other States, such as Montana, Ohio, and California. All of them enjoyed a measure of success and a contented membership until shortly after the close of the war in 1945. About that time they all began to run into difficulties which have increased until, at the present time, the industry is threatened with extinction.

Perhaps of all the organizations handling this commodity, the Palmer Lake group is better prepared to withstand adversity than any of the others because they have acquired facilities for processing their production and making both yarn and finished cloth. However, if the present trend continues they are not going to be very happy.

It appears that the first troubles the industry ran into stemmed from the effects of the reciprocal-trade agreements negotiated by our Government through the State Department. These agreements resulted in the importation of Angora wool from Canada, Mexico, Netherlands, Denmark, United Kingdom, Belgium, Italy, France, and Japan, at a price which meant ruin to the American producer.

The amount of wool imported each year at the low price for which it sold has a very adverse effect on the domestic price. The import price is very materially below the American cost of production. During the war years, our top grade wool sold as high as \$15 per pound and that grade now should sell for around \$10, if the American producer is to stay in business. In the matter of protection, it is our understanding that Angora rabbit wool is classified for duty purposes on the same basis as sheep's wool, and the same rate of price support prevails, as does the same rate of import duty.

As a matter of fact, Angora rabbit wool is in no sense comparable to sheep's wool. The price of Angora wool in order to make a reasonable profit must be at the present time \$9 per pound, for the standard No. 1 grade. Sheep wool, to make the same ratio of profit, would be around 47 cents per pound. Therefore, the support price of 43 cents per pound is of no value to the Angora rabbit wool grower. The duty of 34 cents to 37 cents per pound is no protection at all. If the price support and duty were on a percentage basis instead of a definite amount per pound, we think we would be in much better shape. We believe Angora wool should have a comparable ratio or percentage with sheep wool.

If Angora rabbit wool were on a comparable percentage ratio, or 90 percent, it would give a support price of \$9 instead of 42 cents.

We believe either one or all of three things must be done if this industry is to survive:

1. The imposition of an import tax on foreign wool to place it on a competitive basis with the American product.

2. The reclassification of Angora rabbit wool by the Department of Agriculture separating it entirely from misleading association with sheep's wool, with which it is not in competition.

3. The inclusion of Angora wool in the farm price support program.

This industry which can supply a comfortable income for so many partially disabled veterans, elderly people, widows with families to raise, should not be destroyed for the purpose of providing what we think, at best, is temporary relief to producers in European and Asiatic countries.

I wish to include as part of my remarks correspondence from Mr. Charles W. Orr, secretary-treasurer, American Angora Rabbit Breeders Cooperative, Palmer Lake, Colo.:

AMERICAN ANGORA RABBIT

BREEDERS COOPERATIVE,

Palmer Lake, Colo., July 4, 1949.

HON. WILLIAM S. HILL, Congressman,
Committee on Agriculture,
House Office Building,

Washington, D. C.

DEAR CONGRESSMAN HILL: We attended a rabbit show and school held at the Agricultural College in your town of Fort Collins on Saturday. I was asked to be on the program to tell the growers all about the Angora rabbit business. Since the final outcome of any business depends on the market, I devoted my time to telling the growers about the market. They had a good school, some nice rabbits shown, and a good attendance.

We greatly appreciate your splendid support of our bill, H. R. 4549, for a support price on Angora wool. The bill is getting wide publicity in the State because of the low-priced Japanese wool, at \$1.65 per pound, and that it is putting Colorado people out of business. At the annual meeting of the Colorado Cooperative Council, representing some 40,000 farmers, a resolution was unanimously passed to support bill H. R. 4549. The Congressmen supporting this bill were named individually and highly praised for their support of small industries. Those attending were told of your support of the bill. People do not like the idea of Colorado industries being forced to close down, and they are strong for those that are trying to prevent this.

We wish to call attention to bill H. R. 5345, the Pace farm bill, which was approved by the House Agricultural Committee on June 28. As we understand this bill, it carries the Brannan plan income-support standards. Substitutes for existing parity formula and authorizes production payments for price supports beginning January 1, 1950, on three classes of commodities.

The three classes of commodities are: (a) Class 1 commodities are corn, cotton, tobacco, wheat, peanuts, hogs, milk, butterfat, and shorn wool, including mohair, required to be supported at 100 percent of the new parity, etc.

We have been classified with wool, mohair, etc. Now, in this bill, H. R. 5345, they are saying shorn wool, including mohair. We would like an amendment to insert Angora-rabbit wool. This would mean the support price we are after. It seems to us this amendment could be put in when this bill is brought up for action, or in some other way. We have suggested to Congressman MARSHALL that he should introduce this amendment. We would appreciate your talking the matter over with him as to the best method in which this could be done.

If we could get three words inserted after the phrase shorn wool, including mohair and Angora rabbit, this would give us what we want. It would not give us immediate price support but it would place us in a position to know exactly where we stand after January 1950. It would stabilize our business. It seems to us this would be easier to pass, since this bill is already out of committee, and since Angora rabbit wool has been considered with sheep wool and mohair in other legislation.

If you have other ideas on how this could be done we would be glad to hear from you.

Sincerely,

CHARLES W. ORR, *Secretary.*

AMERICAN ANGORA RABBIT
BREEDERS COOPERATIVE,

Palmer Lake, Colo., July 12, 1949.

HON. WILLIAM S. HILL, *Member of Congress,*
Committee on Agriculture,
House Office Building,
Washington, D. C.

DEAR MR. HILL: We have received letters sent in to us by members and Angora wool growers saying that you have been giving splendid support to bill H. R. 4549 and that you are making a good fight to get our bill passed. We are writing to thank you and to let you know that we greatly appreciate your efforts to save our industry, which means so much to those people who are no longer able to go out in the world and compete, yet wish to be independent, self-supporting people. We are publishing this record of your efforts in order that others may know of your honest efforts to save American small business.

Sincerely,

CHARLES W. ORR, *Secretary.*

MR. AUGUST H. ANDRESEN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

MR. EDWIN ARTHUR HALL. Mr. Chairman, parity has become more familiar to the American farmer and to the American public in the last few years than it was some time ago. My conception of parity is cost of production and a reasonable profit guaranteed to the American farmer. I am going to vote for and back any legislation that is offered on the floor of this House which guarantees parity to any branch or to any group of American agriculture. I do not think this is an unfair position to take.

When I was in California last fall as a member of the Committee on Agriculture I observed the necessity for helping the beekeepers and honey raisers of that State just as much as I recognized the necessity of helping that great industry in the State of New York and in other parts of the country where it flourishes. Honey is a necessary food. It is nutritious, it is something that we depend upon as an assistance to our natural sugar supply and it has already been stated how it helps the various legumes, clover and clover crops, of the country and it has also been demonstrated how it assists the fruit industry of our State and other States.

Mr. Chairman, I want to say one more word about parity. A lot of people come in and demand parity and it is granted until they get to the Northeast dairymen. We in the Northeast are enjoying about 60 percent of parity on the basis of what it is conceived of today. We ought to have \$6 per hundredweight for our milk, then we would be arriving at somewhere near parity price or fair cost of production plus a reasonable profit.

I submit that we are in one of the most dangerous and tragic eras in up-State New York today where we are suffering from the worst drought in history with a guaranty of about half the day production that we normally enjoy. It is going to be very serious indeed. If we were fortunate enough to enjoy parity—and it is continually being rubbed in on us up there that we are getting a great deal for our milk but actually we are getting about 60 percent of parity—we would be getting \$6 a hundredweight for milk. We ought to have it. I hope the time will come when this House will recognize the fact that parity should be applicable not only to honey, tung nuts and rabbits, but also to the dairy farmers of upstate New York.

THE CHAIRMAN. The time of the gentleman from New York has expired.

MR. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. MORRISON].

MR. MORRISON. Mr. Chairman, this bill is one of the most important bills on agriculture that has come before Congress in this session. I urge every Member to vote for its adoption. This bill includes both honey and tung oil, and if this bill is not enacted disaster for the entire Nation will take place since both of the commodities are most important to our Nation as a whole.

First, I will take up tung oil.

TUNG OIL

As a Member of Congress from Louisiana, which is one of the largest producers of tung oil nuts in the United States, I would like to emphatically support this legislation to put a floor under the producer's price for tung oil nuts in order to save this tremendously important industry from disintegration and collapse.

The over-all average price of 19 cents per pound that the tung oil nut producer or farmer received for this season's crop will show a net loss of approximately \$11.50 per ton of nuts. It is just a question of time as to how long the producer can last, and, whereas a few are in better financial condition than the vast majority of them, there are some that will have to abandon their tung orchards as a result of the terrific losses which they have already sustained.

When you consider that tung oil is a product that is of tremendous importance to our armament program and our national defense, and was so important during the past World War that the Government during the war purchased all available supplies in the United States for war purposes, it is unthinkable that the orchards should be allowed to die off.

While it is true that we are creating vast stock piles of other materials that are needed in the defense of this country, but which are only partially produced in this country and part of which are imported, I do not see how we can afford to overlook tung oil because if this Government bought the entire output of tung oil, which is approximately 400 train tank cars, and stock pile it, there could be no loss to the Government and the oil can be stored indefinitely. It would certainly be a tremendous asset.

Tung oil production is not like the production of other crops such as potatoes, or similar food crops, in that they can be planted in one season of the year and gathered within the same year and discontinued the next. Rather a tung orchard is similar in many respects to an industrial plant, in that it has to be built over a period of years from a foundation of a small tree which develops to full production in a period of 8 years—each year requiring definite care in the way of fertilization and mechanical cultivating. If a tung oil orchard is allowed to exist without any maintenance it will deteriorate faster than an industrial plant, and, in a few years, will be beyond recovery, and will not even have a scrap value as would an industrial plant.

When you consider that our main source of tung oil is China, and with conditions as they now exist in China, we should be deeply grateful to those pioneers who have put forth their money, energy, and service in developing this industry, which makes us independent of a source of supply outside our boundaries. We would be in a serious situation were we to be totally dependent upon China for all of our tung oil requirements.

Many years ago, when tung oil production was in the experimental stage in various Southern States, the Agriculture Department was most cooperative and encouraged people to buy land, clear land, and go to a tremendous expense in developing these tung orchards. However, since the war the United States Department of Agriculture has evidently lost interest, since they have done little, if anything, to aid one of the most distressed agricultural industries in America from financial ruin.

On the other hand, they have maintained several agricultural stations throughout the tung growing area and are, at this time, encouraging tung oil production.

From a common sense standpoint it is impossible for any group of farmers in any part of America to produce tung oil nuts at the present market price unless this bill is passed and thereby becomes a law. The catastrophe of the tung oil nut producers throughout the Nation will become more critical, and in a few years, instead of having 400 tank carloads of vital and necessary tung oil, we may find ourselves with none, and if present conditions in China continue we might not be able to import a single gallon of tung oil.

It is inconceivable that this great Nation of ours should let this vital agricultural industry disintegrate, and I feel sure that you Members of Congress will pass this legislation.

This bill also provides for a support price on honey.

HONEY

Mr. Chairman, in the great Midwestern States where the bulk of the honey has been produced in the past, conditions were such that crops ranged from zero to a few pounds. Beekeepers were discouraged and many had to find employment in other industries to provide a living for their families. During the fall very few provided winter protection

for their bees and as a result, with extreme winter conditions, the losses have been from 50 to 100 percent. It is in this large area where so much of our legume seeds are produced and without a normal supply of bees, legume seed for 1949 will be far less than in past years. Many fine orchards will have no bees available for pollination, as well as other important agricultural crops which depend on the honeybee.

The southern bee and queen producers have been seriously affected as a result of widespread bankruptcy which the North has suffered. The natural consequence has been serious price cutting, which is now far below cost of production. This will result in many southern producers going bankrupt this year, leaving another segment of our beekeeping industry wrecked. Only 10 percent of normal orders have been booked for spring delivery, which clearly indicates the lack of interest in stocking empty equipment in the North.

During the war, beekeepers obtained high priorities on scarce materials to assure the production of beeswax, honey, and to assure ample bees for pollination. Food and fiber are necessary in peace as well as in war and since preparedness is essential to national security, beekeeping should be recognized as an integral part of agricultural programs. The honeybee today is responsible for 80 percent of the pollination of agricultural crops and the drastic reduction in colonies will certainly have a serious effect on the farm crops. Our soil-conservation service is constantly at work to provide honeybees for the production of legume seeds which are scarce and expensive.

In south Louisiana, clover seed producers realize the need of bees in their fields and report large increases in seed yields when bees are available for pollination. Cattlemen also want bees for pasture improvement, as bees increase seed set and assure better stands of clover for early grazing. Truck farmers now appreciate the value of bees in the pollination of their diversified crops. Beeswax is used to coat engines for overseas shipment, coating shells, electric insulation, dental work, cosmetics, polishes, and many other uses.

The honeybees remove nothing from soils and much of our fine honey is produced from weeds and all honey would be lost if it were not for the honeybee. The beekeeping industry provides a large market for sugar, screen wire, nails, lumber, paint, labor, and last but not least, the beekeepers pay their shares of taxes. The large number of trucks, cars, and homes alone represents a large investment and a contribution to economic progress. It is the millions of dollars in increased crop yields which needs to be emphasized and this industry merits price support in order to survive and expand to take care of the ever growing need for the honeybee.

Unless Congress takes appropriate steps to remedy the present situation, the beekeeping industry will fail and with it will fall many agricultural crops. Subsidizing seed production without recognizing the role of the honeybee in in-

creasing the yields is a waste of Government funds.

The beekeeping industry finds itself competing against subsidized sweets and under such conditions there is no chance for survival. Honey is a byproduct of the honeybee and nature provided the bee with the instinct to visit flowers to pollinate them so man could produce food. God gave us the honeybee for a specific purpose and gave some men the power to work with the bees so others might obtain the benefits. Today, man in his desire to make progress is unconsciously destroying the bees and will eventually suffer unless the honeybee is preserved and worked for the benefit of humanity.

It is now up to the Congress to decide if the beekeeping industry is to continue to function and become a profitable industry and only price support will revive interest in keeping bees.

I, therefore, urge the adoption of this bill.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, I rise in support of this bill. The tung-oil industry in our country is growing and there is room for great development. Tung oil is an important ingredient in our industrial enterprise, and I think it is the duty of the Nation to encourage the industry and thereby develop an important farm industry and at the same time make our country as nearly self-sustaining as possible with reference to that important ingredient.

Louisiana has been pioneering in the tung industry. The congressional district which I have the honor to represent has been experimenting with tung trees for a good many years. We have found that the tree grows splendidly and produces a very fine crop of nuts. We have had the unfortunate experience, however, of setting out a variety of trees that did not appear to be able to stand very much cold. The climate in my section is rather mild, but a great many of the trees, I am informed, were killed in the past year or so because of an unusual cold spell and this fact is going to necessitate our securing a variety of tung tree that is a little more hardy in this respect. But it seems to me that it is foolish for us not to develop this industry when we need the tung oil so badly and when we are now almost entirely dependent upon China for this product and China is in the hands of the Communists, for the most part. Wisdom and prudence, therefore, dictate encouragement of this industry upon the part of the Federal Government, and the best way I know to encourage that is to pass this bill.

I want to add here that the bill does not go as far as I would like to go. It covers only the trees that are already planted. I would like to see that provision stricken out of the bill. But that does not warrant one in opposing the bill simply because it does not go as far as we would like for it to go.

Now, a further word as to the question of the other element in this bill—honey. Honey is a necessary ingredient in the

American diet. It is one of the most wholesome foods we have. But, as has been pointed out, the work of pollination by honeybees is probably far more important than the production of honey because it involves many of the important food crops of the Nation, including all fruits. I represent a district that ships thousands of packages of bees every year. These bees go to the sections of the North where it gets so cold that it is hardly profitable to keep the bees through the winter. The producers of honey in the North in many places find it better to buy new bees from the South every year, but the price of honey has so hurt the business of producing honey that the sale of package bees has been tremendously curtailed. The result is that the bee business in general is in very dire straits and certainly should be included in this bill. I therefore heartily approve this bill. I hope that it will be expanded, as I stated a moment ago, to include all tung trees, but even without that it is a step in the right direction and I will certainly support it.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. MARSALIS].

Mr. MARSALIS. Mr. Chairman, I want to thank the distinguished chairman of the Committee on Agriculture for his kindness in extending me this time in order to discuss an amendment which will be offered to this bill, an amendment which my distinguished colleague from Colorado [Mr. HILL] mentioned a few minutes ago.

I want to say to the chairman of the committee that, regardless of the outcome on this particular amendment, I can assure him that I am wholly in favor of the bill and would have been in favor of it as it is regardless of this particular amendment. But, I do feel that this is an amendment which is vitally needed at this time. The people in this industry are faced with much the same kind of a problem that faces your producers of tung nuts and of honey. This angora rabbit wool is an industry that is very vital to America and is of great importance. It is also an industry in which there are many small people engaged and it is also an industry that is in vital need of protection at this time.

I might say in addition that it is an industry which the Government encouraged during the war, because it was very much needed at that time.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. MARSALIS. I yield to the gentleman from Utah.

Mr. GRANGER. I want to congratulate the distinguished gentleman from Colorado for taking up the cause of the small farmers of this country. He is speaking about a commodity that is very important. It is raised by many disabled veterans, and I want to say to the gentleman that I have letters from all over this country from disabled veterans who are engaged in this industry. I certainly congratulate the gentleman for calling it to our attention, and so far as I am concerned, I will aid in the passage of this important measure.

Mr. MARSALIS. I thank the distinguished gentleman from Utah for his remarks.

There is one thing that a lot of you people do not know about this Angora rabbit wool industry. Angora wool is not in competition with regular wool. It has about the same relationship to regular wool that magnesium or some other alloy has to steel. The products that are manufactured from this wool are usually in the form of a combination of Angora rabbit wool, perhaps 50 percent, sometimes 40 percent, and the rest regular wool. Sometimes the articles are made of part Angora rabbit wool and part rayon or silk. Then there are other combinations.

But during the war the Government found it necessary to use this Angora wool in connection with aviators' suits, helmets, gloves, and other equipment, because of the fact that this particular wool is some seven times as warm as in any other type of wool. It has certain insulating qualities which make it indispensable.

Prior to the war we were receiving sufficient Angora wool for home consumption in addition to our own production, then small, from England, from France, and from Japan. When the war came, this wool that was coming over here to supplement our own supply, was completely cut off. In the year 1943, when it was so badly needed, there were only 5 pounds of this wool shipped in. As I say, the Government then encouraged and asked these people, these small producers, to get busy and help them out in this situation, and they got busy.

There was an article in the November 1943 Collier's magazine entitled "The Rabbit Goes to War." It gave in detail the need, and urged people to get into this industry. These small people have gotten into this industry. At the end of the war there were some 14,000 people raising Angora rabbits. The price was good. At its peak during the war this wool, highest grade, sold for as high as \$15 per pound. It is now being imported for as low as \$3, \$4, and \$5 per pound, less than American rabbit raisers can produce it for.

Angora rabbits first appeared at Ankara—Angora, from which they take their name—Turkey, about 700 B. C., and were introduced into France by some French sailors who bought several at Ankara. When first discovered they were known as silk rabbits. They were first introduced in this country about 25 years ago and were raised chiefly for pets and as a hobby. Then the owners began to pluck or shear the wool and experiment in the making of yarn and from this yarn began to make various articles of wearing apparel. They found that in many ways this wool was a superior article, and as its use became more widespread through breeding the development of larger Angora herds followed.

This continued, particularly in Colorado, until growers began to be concerned about a system of marketing which would take care of their production and provide for them a price that would cover the cost of production and a margin of profit. The result was that about 1938 the Amer-

ican Angora Rabbit Producers, Inc., a nonprofit marketing association, was started with headquarters at Palmer Lake, Colo. Starting with 11 members and \$22, it has grown and expanded to a membership of about 7,000, some of whom live in every State of the Union, with a capital of around \$50,000. There are four other cooperatives located in the States of California, Ohio, Montana, and New Jersey.

Subsequent to the war this wool began to be imported in large quantities from the following nations: Canada, Mexico, France, Italy, Denmark, United Kingdom, Japan, Argentina, Austria, and Belgium. This wool has been coming into this country at prices lower than the American grower can produce it with the result that native growers are being forced out of business. These growers, many of whom are physically handicapped because of age or some infirmity, are unable to engage in any active work but are able to take care of these rabbits. There are a number of widows with children who are self-supporting because of this industry. Many partially disabled war veterans, as well as aged people, have found this work suitable for them and also a means of livelihood.

Today, however, these people are in many cases being forced to sell their rabbits for meat. This business which flourished and prospered during the war years is now definitely in the doldrums, and unless some help is forthcoming in the very near future will become extinct.

In event of another war we are going to need Angora wool perhaps to a far greater extent than we did in the last as the next war may be fought in much colder climates. We cannot afford to permit this industry to perish and we cannot afford to overlook the need for helping the producers at this time. I urge upon the Committee that it most carefully consider the merits of this legislation and that it deal kindly with this most useful and productive industry.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, I am in favor of this legislation. My remarks will be confined to that part of the bill dealing with honey, of which there is much produced in Iowa. There are two things I would like to emphasize: One is that the honey industry is having a hard time financially; and, second, that the country needs the honey bee in pollination. For the past 3 or 4 years the price of honey has gone down to the point where it is no longer profitable. Many beekeepers find it impossible to obtain even their costs of production and as a result are disposing of their bees. It appears as if a price support for honey as provided in this bill is the only answer to this problem.

The honey bee plays a most important part in pollination. Almost 50 agricultural crops require insect pollination and bees are responsible for about 80 percent of such pollination activity. The wild honey bee is already extinct in many parts of the United States and the hives of domestic bees are rapidly disappear-

ing from the American landscape. The disappearance of wild flowers and the reduced clover acreage are also contributing factors. In many parts of the country the hives of honey bees used in the business of producing honey are almost the only solution to the problem of the necessary cross-pollination of our perennial legumes and other seed crops. It therefore can readily be understood that if we are to have a bee population in the United States capable of doing the pollinating job, beekeepers must either receive direct payment for pollination done by their bees or they must receive an adequate return from the honey which they sell in order to make the operation of the hives profitable. H. R. 29 is definitely a step in the right direction, and I hope this legislation will prove of benefit to the honey industry.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, I am in full agreement with the many Members who have urged the passage of this legislation. From a national defense standpoint that portion of the bill providing a price support for tungnut oil is fully justified. I believe, in line with what the gentleman from Michigan [Mr. CRAWFORD] proposes, that such price support should cover not only the production of the trees now in existence or planted but also future plantings and the production of oil therefrom.

Of course, the solution to this problem is not via the price-support route. Instead our home producers should be protected against the importation of huge quantities of this oil at ridiculously low duty. The American producer should not be forced to compete with Chinese labor but unfortunately this administration urges free-trade practices which make it almost impossible for American producers to exist.

Mr. Chairman, coming as I do from Minnesota, my main interest in this legislation is that part relating to honey. The average person does not realize the importance of the honeybee to agricultural production. The cross-pollination afforded by the honeybee affects more than 50 agricultural products including alfalfa and clover. Only a few years ago our Subcommittee on Appropriations for Agriculture appropriated \$12,000,000 for 1 year's aid in the development of legume seeds. I contended, at that time, that if we would give our beekeepers a fair parity price for their product, the consequent encouragement to the industry would solve the problem of pollenizing our legumes.

Last year, Mr. Chairman, I was instrumental in helping to persuade ECA to export 12,000,000 pounds of honey as part of its program. This rich, nutritious food is far superior to many foods which cost a great deal more. The shipment of this honey to Europe was not only beneficial to the people who needed the food but also helped to sustain the honey price in America. This legislation, giving a price support to the honey producer, is only fair and just to the thousands of people engaged in the production of this very necessary food.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I favor this bill. With the committee amendment, it provides for a support price for both tung nuts and honey. I hope the gentlemen who are opposing the bill will not take advantage of the opportunity to make a point of order on account of the title.

Mr. Chairman, two wrongs do not make a right, but in this case, with this legislation, particularly with reference to tung nuts, we are in a dilemma. What we really need is a proper and adequate tariff on tung oil instead of this kind of legislation, but we cannot get a tariff, we cannot get an import quota, because the administration in power has a policy against protecting an American industry; so the only thing we can do is resort to this type of legislation to protect this infant industry in the interest of the whole economy of the country.

In my case, if I have to make a choice in dealing with countries, I am going to choose dealing in behalf of the American citizens and to protect them even though it does cost us a little more money.

Having been here as a member of the Committee on Agriculture for many years, I was one of those who some years ago urged that new crops be developed in the United States, and the production of tung nuts was one of these crops. I think we should encourage the production of new crops in the United States, particularly those crops that are necessary to our economy.

Having lived through the last war, and knowing how difficult it was to get some of the strategic materials from the Far East, I think it should be a definite policy of this country to encourage the production of those vital products that have so much to do not only with our economy but for the protection of our country. I think this is one case where we can aid the economy of the country by supporting this legislation.

Mr. Chairman, there is of course a difference of opinion about the support-price program. It is an extensive program and it is an expensive program. It is a program that seeks to protect an important part of our American economy, the farmers of this country, who produce the food and the fiber that are used to satisfy the needs of the American people.

I urge the adoption of the bill as presented by the Committee on Agriculture.

Mr. WAGNER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. WHITE].

Mr. WHITE of California. Mr. Chairman, you have heard several Members speak about the importance of the honeybee. So that there will be no doubt in your mind I bring to your attention this letter which I shall read from the United States Department of Agriculture, Bureau of Entomology and Plant Quarantine. The letter is signed by Mr. Avery S. Hoyt, acting chief of the Bureau. The gentleman has apparently

given the matter considerable thought. The letter is as follows:

It is perhaps difficult to overemphasize the importance of honeybees in the agricultural economy of the country. It is not commonly realized that if pollinating insects are excluded from such crops as alfalfa and red clover, for example, no seed is produced. The same is true of most of the legumes. Nearly all the deciduous fruits, almonds, and many of the small fruits, melons and cucumbers, onions, carrots, cabbage, cauliflower, and similar vegetables, are either dependent on insects for seed and fruit production or produce better when such insects are abundant. Inasmuch as 80 percent of all pollination is done by honeybees, they are truly indispensable.

Probably the reason why it isn't commonly understood that some 50 crops grown in the country are largely dependent on honeybees is because there were at one time enough native or ground nesting pollinating insects to do the job. People have not been much concerned about the pollination requirements of various crops. As agriculture developed and more land came under the plow, the numbers of these ground nesting bees became reduced through the destruction of their nests. The use of insecticides, burning fence rows and brush lands, and other agricultural practices, have added to the destruction of such insects.

The per-acre production of alfalfa and red clover seed, to mention only two of the legumes, has been steadily decreasing for a number of years. As recently as 1925 Utah produced 26,000,000 pounds of alfalfa seed. The current production of alfalfa seed in that State is less than 4,000,000 pounds. Similar reductions have occurred elsewhere. A good field of red clover should produce 8 to 10 bushels of seed per acre. The current production for the United States is less than 0.9 bushel. This reduction cannot be attributed entirely to lack of adequate pollinating insects, but it is one of the major contributing factors. No matter how well an insect-pollinated crop flourishes, an abundance of pollinating insects must be present at blooming time if seed or fruit is to be produced.

The native pollinating insects, mostly solitary bees and bumblebees, have received scant attention in this country. Means of increasing their numbers is not known. The result of this is that pollination is now and will be henceforth dependent upon honeybees.

The pollinating services of honeybees are worth many times their value as producers of honey and wax. The keeping of bees, however, depends upon the production of honey at a profit. The yields of many fruit and seed crops are, therefore, influenced very largely by the price of honey and its effect upon the welfare of the beekeepers.

You may have heard that the beekeeping industry is in a precarious condition. The beekeeper's outlay for labor, equipment, and supplies is higher than it has ever been. On the other hand, the price he is getting for honey is less than the cost of protection. As a result many beekeepers are going out of business. While the country can unquestionably get along with less honey, it cannot get along with fewer honeybees. There is comparatively little that beekeepers can do to better their condition. Beekeeping is so thinly scattered from coast to coast and border to border that beekeepers have never been able to organize effectively enough to tackle their problems in a concerted manner. Honey does not lend itself to packing and marketing by large food concerns. As a consequence, the industry has little financial backing.

Considering the agricultural economy of the country as a whole, some plans or means must be provided to maintain a thriving and vigorous beekeeping industry. Honey is real-

ly a byproduct of this industry; and, until the beekeeper is paid for pollination services performed by his bees, he must receive enough for his honey to encourage him to stay in business.

Sincerely yours,

AVERY S. HOYT,
Acting Chief of Bureau.

Mr. Chairman, I hope this bill will pass. It is an important and far-reaching piece of legislation.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield.

Mr. WHITE of Idaho. As a matter of fact the State of California, when they tried to propagate a certain species of dates, found it necessary to go to Asia for a certain species of ants, and they had to import them and colonize them in California so that they could pollinate these dates.

Mr. WHITE of California. Yes; I heard that, and I thank the gentleman for his contribution.

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I hold in my hand a tung nut. We have been discussing tung nuts for some time today, and I just wanted the membership to see what one looks like. It is much larger than a hickory nut. It is a little larger than a walnut and resembles the walnut. Inside is the kernel from which comes the oil that is really and truly a critical war material. I was asked a few moments ago why we should pass legislation to support the price on the oil that comes from this nut. I want to tell you that these growers whose groves are located in some seven States along the Gulf of Mexico were encouraged during the war to increase their production. They did just that. They were given incentive payments. Secretary of Agriculture, CLINTON P. ANDERSON, was in office at that time. Because of the need for this oil in the Military Establishment, the production was greatly increased. Today these growers are operating below the actual cost of production of their product.

Let me give you some figures. The cost of production of tung oil before the war was \$27 to \$32 per acre, and they derived from 21 cents to 28 cents a pound for their oil. Today it costs from \$56 to \$62 an acre. This is due to the fact that labor prices have gone up, and they have to put fertilizer on the land, and it is necessary to pay higher prices for farm implements. Today they get 21 cents a pound for tung oil, although during the war the oil sold for 40 cents a pound.

The gentleman from Mississippi [Mr. COLMER] has shown you the reason that this is a critical war material. He gave you seven or eight examples of uses of this commodity by the Navy. It is most important and necessary that we provide support for tung oil so that the growers can remain in business. There are also 12 processing plants which are in operation to crush the nuts. All in all, 15,000 are employed in the industry.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield.

Mr. BREHM. Do you know how long it takes a tree to arrive at maturity and develop?

Mr. GATHINGS. I understand it takes about 5 years.

There is none of this grown in Arkansas at all, but I was delighted to join the gentleman from Mississippi [Mr. COLMER] and others interested throughout the belt in support of this legislation.

Mr. BREHM. Is it true that you cannot stock pile the oil?

Mr. GATHINGS. I understand it is expensive to stock pile, but it is storable. Mr. BREHM. But can be done?

Mr. GATHINGS. It can be done, yes—

Mr. BREHM. The rumor around here was that you could not stock pile it.

Mr. GATHINGS. Oh, yes. It is being done.

Price supports for the production of honey is most essential to American agriculture. I am wholeheartedly in favor of the honey provision in this bill as well as tung oil. Extensive hearings were held by the Committee on Agriculture on both tung oil and supports for honey. I would like to call your attention to the testimony of Mr. J. H. Davis, inspector of apiaries, State Apiary Board of Arkansas, found in the hearings on page 96 and following pages. Mr. Davis' testimony reflects the great need for the passage of legislation to protect the honeybee. Arkansas has taken the lead in recognizing the usefulness of the honeybee in increasing production, growing of legumes, the building up of our soils, and in the protection of the future of agriculture.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. Boggs].

Mr. BOGGS of Louisiana. Mr. Chairman, while I represent a district that does not grow tung nuts, I trust this legislation will be adopted and I trust that my friend the gentleman from Ohio [Mr. Hays] will not press his point of order because the legislation vitally affects two commodities which are important not only to our agricultural economy but to our security. The legislation has been carefully thought out; it has bipartisan support, and it is the only proper approach to this problem.

It has been suggested that both situations could be cured by the imposition of a tariff. It seems to me elementary that whereas only 10 percent of the production is domestic, the imposition of a tariff which would affect 100 percent of domestic consumption would be an uneconomic and unwise way to approach the problem. I trust that the legislation as drawn will be enacted.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. HAYS of Ohio. I cannot quite follow the gentleman's suggestion that it would be uneconomic, since it is going to cost \$2,900,000 a year under this bill. Why would it not be more economical to protect it by a tariff instead of a subsidy?

Mr. BOGGS of Louisiana. I do not know where the gentleman got his figures.

Mr. HAYS of Ohio. I got them from the Department of Agriculture.

Mr. BOGGS of Louisiana. The gentleman states that it will cost \$2,900,000 to protect these products under this formula of a parity support price. I may say to him that if he will simply multiply his \$2,900,000 by 10 he would arrive at the cost under a tariff.

Mr. Chairman, the passage of the Colmer bill to provide supports for the tung-oil industry, in my opinion, is extremely important to our country. This bill assures to the grower of tung oil a fair price for his products and insures the maintenance of an industry which is vital to our country and its economy in peace and in war.

While the production of tung oil is limited to the Gulf States, the oil itself is important to our Nation.

During World War II every effort was made by the Government to stimulate the domestic production of tung oil. The oil was given priority of A-2, and every drop of it went to the armed services. In order to encourage the extension of tung acreage and oil output, the Department of Agriculture offered growers a bonus of \$5 an acre to enlarge their tung orchards.

Tung oil is used in 800 manufacturing lines. It is used as a drying agent in printing inks, high-grade paints, varnishes, and lacquers, as a coating for the interior of food cans, in the manufacture of linoleum and as brake linings, and as a waterproofing for raincoats, tarpaulins, plywood, the underbodies of flying boats, and as a protective covering for bullets, guns, tanks, radar, and enclosed parts of bombs. There is no substitute for tung oil.

Since the conclusion of the war, the price of tung oil has dropped to the point where, unless a fair price is insured by the Government, our American industry, despite the many millions of dollars invested therein, is bound to collapse.

Eliminating the considerations of hardships which will accrue to every producer of tung if this legislation is not adopted, it would seem to me that the Members would support it without question because of its vital import to our Nation's security. The one source of tung oil besides the small American production is China. China is now largely—sad to say—under the domination of the Russian Communists, and, if we allow the American industry to die, we will find ourselves in a much more critical position insofar as tung oil is concerned than we were in respect to rubber early in 1942. In other words, Mr. Chairman, we would be relying on the Russians for the supply of one of our most strategic materials.

The adoption of this legislation will not be costly to the American taxpayers, but it will preserve an industry which is essential in peace and in war.

At the present price, it is impossible for any group of farmers anywhere in this country to produce tung oil, and in a short time, unless this legislation is adopted, we will find ourselves completely

dependent upon a foreign source for tung oil.

Mr. WILLIS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Chairman, this bill, H. R. 29, has for its purpose the establishment of a price-support program for two highly specialized agricultural commodities, namely: tung nuts and honey. Although these commodities are unrelated in an agricultural sense, both of them are of tremendous importance to our national welfare.

Tung trees are native to China but as a result of farsighted experimentation by the Department of Agriculture, commencing about the year 1902, it was found that they could just as well have been indigenous to a limited belt along the Gulf of Mexico. They require specialized soil and climatic conditions and require a sandy, well-drained soil of an acid type. Although the trees must have about 60 inches of rainfall a year, they will not grow properly where the ground-water table is closer than 22 feet to the surface. These soil and climatic requirements are found in a belt about 100 miles wide extending along the Gulf of Mexico, roughly from the vicinity around Ocala, Fla., to Beaumont, Tex.

Tung nuts are the source of tung oil. The oil is an almost indispensable ingredient of many important industrial products, including paint, electrical insulation, and other commercial products. Because of its quality as a water repellent tung oil was used during the war for the protection of highly specialized and sensitive instruments.

Prior to the development of this infant industry our source of supply came exclusively from China, and for a time when the Japs made it impossible for us to reach the source of supply, the Military Establishment suddenly realized the importance of this product and the President of the United States officially designated tung oil as a critical war material.

We all know of the ambition of the Russians in the Orient, as witness the revolution in China. In the event of another world conflagration, which pray God we may avoid in the foreseeable future, we would see our source of supply of this critical war material shut out again. But we must plan for the worst.

The present bill is designed to provide price support only for the acreage of trees which has already been planted. It is not the intent of the sponsors of this legislation to encourage overproduction of tung trees and in view of this fact and the limited belt suited for production of this product the very small amount of money involved to provide price support is cheap insurance indeed.

Honey is only a small part of the valuable contribution honeybees make to the agricultural economy of the United States. Far more important than the value of the honey is the part the bees play in pollinating many crops. At

least 50 or more of the most important agricultural crops require insect pollination and bees are responsible for approximately 80 percent of the pollination activity. Among the crops which are dependent upon pollinating insects for full production of fruit or seed are, apples, apricots, blackberries, cherries, cucumbers, muskmelons, peaches, strawberries, watermelons, alfalfa, clover, vetch, etc.

Along man's road to progress he too frequently leaves a blaze of destruction. Man finds it very difficult to improve upon the laws of Nature and he sometimes learns to his regret that he cannot violate the laws of Nature with impunity.

I can remember over 25 years ago that outstanding educator, philosopher, and naturalist of the South, Rev. Father Bievers, who at one time was president of Loyola University of the South, warned the people, especially in and around New Orleans, that the campaign then going on for the indiscriminate destruction of certain insects, particularly a type of ant, would result in great propagation of a far more destructive pest, the termite. His predictions have come true. We are now warned by those who are supposed to know what they are talking about that the widespread and indiscriminate use of DDT and other insecticides is bringing about a vast decrease in the wild bee population in the United States. This means that the greatest contribution of the bee to our agricultural economy, namely: pollinating activity, is being curtailed. One of the purposes of this bill is to encourage the scientific cultivation on the farm of the bees, not only for the production of honey but primarily for the preservation of the part which the wild bee plays in our agricultural economy.

Here again, as in the case of tung nuts, the importance of this bill is not so much the small cost involved, or the subsidizing of this industry as the opponents of the measure like to talk about, but the sustaining of our agricultural industry as a whole. Little benefit would we derive from our soil-conservation and soil-erosion programs if we do not maintain cross-breeding of plants and pollinating methods thereof, which Nature herself has provided.

I, therefore, urge a favorable vote on this bill.

Mr. SIKES. Mr. Chairman, I have just returned from necessary public business in Florida in order to take part in the deliberations on H. R. 29. Unquestionably the facts are clear and the necessity for this legislation is obvious.

Tung oil is a vital commodity. Yet without this measure we may become entirely dependent upon foreign sources. The availability of tung oil would then be subject to the whim of a nation which now shows only hostility to our way of life. The measure in its present form is a much better bill than that reported to the House. Restrictions which were highly injurious to the avowed purpose of insuring a domestic supply of tung oil have now been removed.

While it is true that tung oil can be produced only in a limited part of the

southeast, it as a commodity is valuable to the industry and to the defense of all of the Nation.

But also in this measure we include honey, a commodity which is produced throughout the Nation. It is a crop important to all farmers because of the part played by bees in pollination of so many farm crops.

So there is no sectionalism in this bill. Instead, it is, first of all, a defense measure. Second, it gives protection to American industry. Finally, it is of direct value to farmers throughout the Nation. There are no sound grounds upon which to contest its passage.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 153]

Abbott	Harrison	Potter
Allen, Ill.	Hedrick	Powell
Angell	Herter	Quinn
Auchincloss	Hinshaw	Rabaut
Barden	Hoffman, Ill.	Reed, N. Y.
Bates, Ky.	Hope	Richards
Blackney	Hull	Sabath
Bland	Kee	Scott,
Bolling	Keefe	Hugh D., Jr.
Bolton, Ohio	Kennedy	Sheppard
Bonner	Klein	Short
Buckley, N. Y.	LeFevre	Sikes
Bulwinkle	Lyle	Simpson, Pa.
Cavalcante	McDonough	Smith, Ohio
Celler	McGrath	Smith, Va.
Chatham	McGregor	Staggers
Chudoff	Macy	Stanley
Clevenger	Marshall	Steed
Combs	Mason	Stigler
Coudert	Meyer	Taber
Dawson	Morton	Thomas, N. J.
Deane	Moulder	Thomas, Tex.
Dingell	Norblad	Towe
Douglas	O'Brien, Ill.	Vinson
Eaton	O'Brien, Mich.	Vorys
Elston	O'Hara, Ill.	Walsh
Engel, Mich.	O'Hara, Minn.	Welch, Calif.
Feighan	Passman	Whitaker
Fellows	Patman	Whitten
Fogarty	Patterson	Woodhouse
Frazier	Pfeiffer	Young
Fugate	Joseph L. Pfeiffer	Zablocki
Gilmer	William L. Plumley	
Gore		
Hardy		

Accordingly the Committee rose; and Mr. MONRONEY having assumed the chair as Speaker pro tempore, Mr. MCSWEENEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 29, and finding itself without a quorum, he had directed the roll to be called, when 335 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. COOLEY. Mr. Chairman, I yield the gentleman from Alabama [Mr. GRANT] such time as he may desire.

Mr. GRANT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. GRANT. Mr. Chairman, I am supporting this bill because I believe that

parity should be provided for tung nuts. Under present conditions it is difficult for tung-nut producers to harvest these nuts without a loss. It requires years of effort, investment, and hard work to bring tung-nut trees into production.

At the present time tung-nut oil is being imported from China. The cost of producing this oil with coolie labor is, of course, much cheaper than we can produce it here in this country. There is a definite need for some protection.

Aside from the present domestic use of tung oil, there is a very definite need of keeping alive the production in this country for war needs. Our imports from China could be cut off at any time and this Nation would drastically feel the effect of the loss of tung oil for the purpose of national defense.

For some years tung nuts have been produced in the Gulf region of my district. The growers have large sums invested in these groves and I believe that they are entitled to some help.

This bill also provides for a price support for honey. The proponents of this legislation are aware of the fact that, while honey in itself is not a national problem, at the same time the pollination performed by the bees is of vast importance. Many of the bee raisers of the Nation will be forced to go out of business unless they receive some help, and the only way for them to receive this help is through a price support of honey. There are several large commercial bee raisers in the northern part of my district, particularly in Lowndes County. These producers ship bees all over the United States. They are very much interested in this legislation, and I firmly believe that its adoption will benefit the Nation as a whole.

Mr. COOLEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, a moment ago there was some indication that the support of the tung-oil program would be very expensive. A member of our staff has just handed me a memorandum containing information from the Department which indicates that total losses on the entire program to date have amounted to only \$311,591. Those losses occurred on the oil acquired under the 1947 program. All of this oil has now been disposed of. The total value handled was in excess of \$2,000,000. No losses occurred under the prior support or wartime program.

Mr. Chairman, I have no further requests for time. In the event the point of order is made against the Committee amendment it would be our purpose to concede the point of order and then ask for the bill to be approved as originally introduced. It seems to me if that be the procedure the final action should be expedited and we should have it out of the way in a very few minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman recognizes, does he not, that by conceding the point of order he is striking honey from the bill? What will be the policy of the majority of the Committee on Agriculture in that event?

Mr. COOLEY. May I say that in view of the sentiment of the members of the

House Committee on Agriculture it would be my purpose to call that committee together within the next 2 or 3 days to report a bill providing a support price for honey. I regret very much that this parliamentary situation has arisen, but there is no way that I can prevent the point of order from being made.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield myself 2 minutes.

If I may have the attention of the chairman and those gentlemen who desire to make the point of order, it is my hope that the point of order will not be made. It is a technical point and, certainly, those who are interested in the welfare of agriculture as a whole deem it highly desirable and necessary at this time to keep honey in this bill.

Mr. COOLEY. The gentleman realizes, of course, that it is the right of any Member of this body to make a point of order against an item in a bill. I have no control over that. I had no reason to anticipate it because of the fact that the bill was unanimously reported by the committee and we were anticipating no opposition to it.

Mr. AUGUST H. ANDRESEN. That is correct; I recognize that any Member has the right to make it. It would, of course, be a technical objection that could be made to the bill, but I hope the aid which is necessary to a minor industry of agriculture may be given; and I hope that those who intend to make the point of order, on thinking about it, will withhold it and not press it at this time so that this legislation may be put through in its present form for the benefit of the country.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. DONDERO. The Chairman of the committee has indicated to the House what the tung-oil program will cost. Will he indicate what the honey program has cost, if anything?

Mr. COOLEY. Frankly, I do not have that information before me at the present time. Perhaps some other member of the committee, the gentleman from California [Mr. WHITE], for instance, may be able to answer the gentleman's question.

Mr. WHITE of California. I may say to the gentleman from Michigan that it has not cost anything, because there has been only a purchase program on honey up to now; they have never supported it at 60 to 90 percent of parity as is proposed in this bill.

Mr. DONDERO. I hope the bill passes as introduced.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield. Mr. HOFFMAN of Michigan. Why not recommit the bill and report it back with both tung nuts and honey in it in such a way that a point of order would not lie against it?

Mr. COOLEY. Honey could be handled in a separate bill.

Mr. AUGUST H. ANDRESEN. I may say to the membership that when the chairman of the Committee on Agriculture gives his word it is as good as his bond, and I will take it on that assumption at this time.

Mr. HOFFMAN of Michigan. I would not doubt the gentleman's word at all, but I was just wondering, because I have found that sometimes there are some things that a person cannot do.

Mr. COOLEY. This is one thing that the Chairman and the Committee cannot do, prevent any Member from making a point of order.

Mr. HOFFMAN of Michigan. I understand that; that is why I suggested that if the whole bill were voted down now another one could be brought in that would not be subject to a point of order.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. D'Ewart].

Mr. D'Ewart. Mr. Chairman, I rise in support of the amendment to provide price support for Angora rabbit wool.

The present plight of the producers of Angora rabbit wool is a sad example of what can happen to a small American industry when it is subjected to uncontrolled competition with an inferior foreign product produced under the low wages and with the cheap materials available in other parts of the world.

During the recent war hundreds of Americans were induced to go into the business of raising Angora rabbits for wool. They enjoyed a fair price and a good market for their product, and it played a part in the war effort by releasing other scarce materials for more pressing purposes. In my own State, at Malta, Mont., a large cooperative Angora rabbit wool organization was established, and was a fine small industry for that section. Wool was shipped to it from all over the West, where hundreds of disabled veterans, widows, retired farmers and workers and others had gone into the business of raising Angora wool as a steady and badly needed cash income. With the end of the war, the market was flooded with great quantities of Italian, French, Dutch, and Japanese Angora rabbit wool, at prices which undersold the American producers. In many instances the prices of foreign wool were actually less than American cost of production. Hundreds of Americans, men and women who could ill afford to lose this source of revenue, have now been forced out of business.

I endeavored in the Seventy-ninth Congress and again in the Eightieth Congress to provide some form of protection for these people from the great flood of foreign goods. I was unable to do so.

The situation is even more serious now, and I believe it is sound and wise to support this product as proposed in this amendment.

I have not had recent communication from honey producers in Montana. I know, however, that their product has suffered a considerable depression in price and that many of them have turned to other endeavors. Honey is an important commodity and I feel strongly that its inclusion in our agricultural support program is justified and necessary.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I have no further requests for time.

Mr. COOLEY. Mr. Chairman, I have no further requests for time; I suggest

that the Clerk read the bill for amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Agricultural Adjustment Act of 1938, as amended (U. S. C., 1940 ed., title 7, ch. 35), is amended as follows:

In subparagraph (a) (1) of section 301 insert in the second sentence after the words "except tobacco" the words "and tung nuts", and add after the final sentence the following: "In the case of tung nuts such base period shall be the period January 1936 to December 1940."

In section 303 insert in the first sentence after the comma following the word "rice" the words "tung nuts" and a comma.

Sec. 2. The Commodity Credit Corporation is authorized and directed to support the price of tung nuts to producers at not less than 90 percent of parity through loans, purchases, or other operations.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That notwithstanding any other provision of law the Secretary of Agriculture, through the Commodity Credit Corporation, and other means available to him, is authorized and directed through loans, purchases, or other operations to support the price of honey, and of tung nuts produced on the acreage of tung nut trees planted prior to the date of the enactment of this act, at not less than 60 nor more than 90 percent of the parity price as calculated pursuant to section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Act of 1949. Appropriate adjustments may be made in the support price of honey or tung nuts for differences in grade, type, quality, location, and other factors.

"In carrying out the provisions of this act compliance by the producer with production goals and marketing practices (including appropriate marketing agreements and orders under the Agricultural Marketing Agreement Act of 1937) as prescribed by the Secretary, may be required as a condition of eligibility for price support."

Mr. HAYS of Ohio. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HAYS of Ohio. Mr. Chairman, since the committee amendment has no greater standing than any other amendment, the title of this bill is to amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts and for other purposes. I make the point of order that the inclusion of honey is not related to the bill and is, therefore, not in order.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Utah.

Mr. GRANGER. I trust the gentleman will not press his point of order. We are willing to concede the point would apply, but what we will have to do is take out the part of the bill that the gentleman I am sure is interested in.

Mr. HAYS of Ohio. In reply to that may I say that I am interested especially in opposition to a monopoly. I asked the chairman of the committee if he would agree to an amendment to strike out that section which sets up a monopoly and he said he would not accept it. Now, there is a monopoly in connection

with this thing and if we take honey out, then we revert to the original bill which does not have the monopoly section.

Mr. GRANGER. The gentleman could offer an amendment to strike that provision out and I am sure there is a lot of support for his amendment. He could do that under the rules of the House without destroying the very heart of the bill, the thing that agriculture generally is interested in.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from California.

Mr. PHILLIPS of California. If the gentleman is sincere in his statement that he wishes to strike out monopoly, with which I have a great deal of sympathy, then I wish to call his attention to the fact that by striking out the particular amendment he desires to strike out, he is furthering monopoly. There is probably no commodity in agriculture that is more subject to monopoly than honey because of the small number of processors and distributors and the limited areas in which honey is produced. A great problem the honey industry has had is the problem of monopoly. As was stated on the floor a few minutes ago, the way to maintain the price is not always to use money for support but simply to say that there will be a support price if the processors and handlers do not keep the price up.

Mr. HAYS of Ohio. The gentleman realizes that the chairman of the Committee on Agriculture has said he will bring in a bill on honey, and I will not object to it. Let honey stand on its own feet.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Ohio.

Mr. JENKINS. Does the gentleman know that the great State of Ohio, a portion of which he represents and a portion of which I represent, is the greatest State in the United States so far as the production of honey is concerned?

Mr. HAYS of Ohio. That is neither here nor there. I am not objecting to support for honey. I am objecting to a monopoly on tung production.

Mr. HOFFMAN of Michigan. Mr. Chairman, I desire to be heard in opposition to the point of order.

Mr. PHILLIPS of California. Mr. Chairman, I desire to be heard on the point of order also.

The CHAIRMAN. The Chair will hear the gentleman briefly.

Mr. HOFFMAN of Michigan. Mr. Chairman, as I understand it, and if my understanding is not correct I hope the chairman will correct me, the point is that honey is not related to the agricultural problem, is that it?

The CHAIRMAN. No; that it is not germane to the bill.

Mr. HOFFMAN of Michigan. I should think it is. I do not see how you are going to have any agricultural products at all unless you have the honey after the bees get through. You do not get pollinization of anything unless you have the bees, and honey is simply a by-product.

Mr. PHILLIPS of California. On the point of order, Mr. Chairman, the title of the Agricultural Adjustment Act is all-inclusive. It covers all types of agricultural products. It does not specify any one commodity. We have from time to time amended the act on the floor by the inclusion of other agricultural commodities. This title, to which objection is raised on the floor, says specifically, "To amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts, and for other purposes." The committee, in the final line on page 3, has specified an amendment to the title to include tung nuts and honey.

I respectfully submit that if a point of order were sustained on those grounds, it would throw a cloud upon any amendment offered to such an act of general nature having to do with agricultural products, and honey is an agricultural product.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Mississippi.

Mr. RANKIN. Mr. Chairman, I certainly want to back up the gentleman from California [Mr. PHILLIPS].

The opposition contends that honey is not covered in the title. The title says, "To amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts, and for other purposes."

"And for other purposes" is a very broad expression, and I submit it is broad enough to cover honey.

Further in the bill the title is amended. If you turn to page 3 the bill provides that the title be amended to read, "A bill to provide price support for tung nuts and honey, and for other purposes."

So, I submit that this provision is not subject to a point of order.

The CHAIRMAN. The Chair is ready to rule. The title of the bill does not control. It is the body of the bill that controls. When an individual proposition is added to another individual proposition by amendment, even though they are in the same class, they are not germane. The Chair sustains the point of order.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: On page 1, lines 8 and 9, and on page 2, lines 1 and 4, after the words "tung nuts" insert the words "and honey."

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes on his amendment.

Mr. AUGUST H. ANDRESEN. Mr. Chairman—

Mr. HAYS of Ohio. Mr. Chairman, a point of order.

Mr. AUGUST H. ANDRESEN. The point of order comes too late.

The CHAIRMAN. The gentleman from Ohio raised his point of order after the debate had started.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, this amendment meets the objection raised by the gentleman from Ohio, because it amends the original bill and includes honey in the same category with tung nuts. Therefore, Mr. Chair-

man, the point raised by the gentleman from Ohio that the committee amendment created a monopoly is not in the original bill that was introduced by the gentleman from Mississippi. We should give honey the same protection in this bill, and now the bill is properly before the Committee, and I call for a vote on my amendment which provides a 90-percent support for honey.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 2, line 12, after "trees", strike out the balance of line 12 and all of line 13 up to and including the word "act."

The CHAIRMAN. May the Chair state that the amendment offered by the gentleman from Michigan is not in order. The amendment is offered to the committee amendment. The Chair sustained a point of order against the committee amendment and it is no longer a part of the bill.

The Clerk will conclude the reading of the bill.

The Clerk read as follows:

SEC. 2. The Commodity Credit Corporation is authorized and directed to support the price of tung nuts to producers at not less than 90 percent of parity through loans, purchases, or other operations.

Mr. BENNETT of Florida. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am grateful for this opportunity to speak in behalf of H. R. 29, which would grant to the tung industry the price support without which its existence is threatened.

As a Florida Congressman, it is of interest to me that the life of the American tung industry was really begun in a Florida cemetery. Five of the first seedlings cultivated by the Division of Foreign Plant Introduction in the Bureau of Plant Industry were in 1905 dispatched to the superintendent of a cemetery at Tallahassee, Fla., where they were planted but given little attention. In the autumn of 1906 William H. Raynes, of that city, became interested in the neglected plants and was given permission to transplant them. Only one of the five trees survived, but that tree, still standing, serves as a monument to early pioneering efforts to establish the culture of the tung tree in the United States. Later a 40-acre plot near Tallahassee, planted from seedlings from the original tree, became the first bearing grove of tung trees in America. And in 1913 the Raynes tree furnished sufficient crop to make possible the first trial expression of tung oil in the United States.

Florida today has more than a historical or experimental interest in tung trees. National production of tung nuts in 1947 amounted to 53,200 tons, of which Florida contributed 11,000. In 1948 production in the United States rose to 67,200 tons, with Florida contributing 17,000 tons—or more than 25 percent.

The Second District of Florida, which I represent, produces a little over 8 percent of the national tung-nut crop. In 1945 there were approximately 800,000 tung trees under cultivation in my district. Today there are about 7,500 acres in tung trees in my district. In the Second Congressional District of Florida there are seven tung groves, representing a total investment of over \$2,000,000. Two of the four tung-crushing mills in Florida are located in my district. You can readily appreciate the impact that the present disastrous condition in this industry is having on the economy of the residents.

The Government encouraged the establishment of this industry and found it essential in time of war. We should not now let it deteriorate, not only because we should not let our economy suffer but also to protect our local supply of this vital war material.

The United States production of tung oil is still small, dangerously small, in view of its being a critical war material. In 1948 we imported 133,000,000 pounds of tung oil, while producing domestically only 15,000,000 pounds. Most of our imports have come from China.

A critical situation is with us now due to the flooding of the market with imported tung oil. The domestic price of tung oil has dropped to 18 or 19 cents per pound, and indications are that the real price may be about 17 cents and due for a greater drop. Meanwhile, the cost of care and cultivation and harvesting has risen. At 19 cents a pound the result is, I am told, a net loss to the tung grower of \$11.79 per ton of production.

Tung oil before and since World War II has been used industrially chiefly as a drying agent in paints and varnishes or as a waterproofing agent. During World War II, however, its qualities of value to military equipment were soon discovered and the entire domestic supply of this oil was used by the armed services. Tung oil went to war in the following manners: Covering the inside of high-octane gas tanks; insulating electrical coils, covering magnesium parts, in time bombs, in the manufacture of all medical catheters purchased by the armed forces, as a necessary base for marine paints, and waterproofing shells and other ammunition. Its admitted superior qualities make tung oil a critical war material.

With China now on the verge of complete Communist domination, and with the huge imports of Chinese tung oil running down the domestic price to the point where American tung growers are close to insolvency, a serious situation would be upon us in the event of an outbreak of hostilities. It can reasonably be anticipated that the Chinese imports of tung oil will cease in the possible case of hostilities with Russia and even without hostilities under possible emergencies. If conditions continue as they are today with the American tung industry, production of tung oil—with the growers discouraged by a market for their product which does not meet production costs—will steadily decline. There is danger, too, that the fluctuation of tung oil in price and volume—caused by indiscriminate imports—will completely lose for the American growers their

domestic market. As stated in the October 1947 Fortune:

American industrial consumers must have tung oil in steady volume and at prices both reasonable and reasonably stable. Otherwise they will learn to do without it altogether.

Thus discouragement on the part of both American growers and American tung-oil consumers may further reduce American production of tung oil. The result of these factors would be that the United States may not have available to it the supply of this critical war material which would be needed in event of war. Great Britain, following this line of thought, is protecting herself by spending \$4,000,000 in the planting of tung trees in South Nyasaland, which it is expected will assure a supply of tung oil almost 15 times the amount previously obtained from this area. I believe we should similarly protect ourselves by granting price support to tung oil.

Mr. MAGEE. Mr. Chairman, I offer an amendment.

Mr. HILL. Mr. Chairman, I am a member of the committee, and I have had an amendment on the desk for an hour, on which I should like to be recognized.

The CHAIRMAN. The gentleman from Colorado is entitled to recognition.

The Clerk will report the amendment offered by the gentleman from Colorado. The Clerk read as follows:

Amendment offered by Mr. HILL: On page 2, line 11, after "to support the price of", insert "Angora rabbit wool", and on page 2, line 18, strike out the words "honey or tung nuts" and insert in lieu thereof "such commodities."

Mr. HAYS of Ohio. Mr. Chairman, a point of order.

The CHAIRMAN. The Chair advises the gentleman from Colorado that the language to which his amendment is applicable is not part of the bill being considered by the committee. The situation is the same as with reference to the amendment offered by the gentleman from Michigan previously. The gentleman from Ohio [Mr. Hays] made a point of order against the committee amendment and therefore that is not before the committee.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have here a great number of petitions signed by hundreds of Angora rabbit growers in all parts of Colorado. While it might be interesting to read the names and addresses of these producers, I am sure it is not necessary to burden the Record with the petitions—so I will list the number of producers from each city and place them with my remarks. The petition reads as follows:

We, the undersigned, request your favorable consideration to amend the Agricultural Act of 1948 and the Agricultural Adjustment Act of 1938, as amended, to provide price support for Angora rabbit wool. Failure to give this support your sanction during this session of Congress means extinction of the industry in the United States.

This industry affords support to thousands of people past 65 years of age, partially disabled veterans, widows with families to raise, where the children can help with their support and have their mother at home. These people depend entirely on the sale of Angora rabbit wool for their livelihood. They

are taxpayers. If this method of support is taken from them they are unable to compete in other fields and many of them become burdens on their neighboring taxpayers. The Angora rabbit breeders signing the petition by cities are numbered as follows:

Englewood.....	3
Littleton.....	9
Boulder.....	1
Pinecliffe.....	1
Castle Rock.....	1
Greenland.....	6
Larkspur.....	13
Fort Collins.....	1
Loveland.....	1
Hugo.....	2
Greeley.....	2
La Salle.....	18
Platteville.....	3
Colorado Springs.....	140
Monument.....	59
Palmer Lake.....	59
Peyton.....	5
Avondale.....	1
Beulah.....	3
Pueblo.....	11
Fruita.....	1
Denver.....	95

These are the Angora rabbit breeders in Colorado who feel something should be done to protect their industry from total and complete destruction by the imports of Angora rabbit wool from foreign countries.

Countries importing Angora rabbit wool into the United States, and average price per pound

Country of origin	Pounds imported—			Average price 1948
	1946	1947	1948	
Canada.....	2,676	1,822	5,837	\$5.28
Mexico.....	5,050	4,470	10,899	6.25
Netherlands.....	441			
Denmark.....		4,893	10,200	7.00
United Kingdom.....	959	446	301	4.00
Austria.....			575	5.01
Belgium.....			1,700	3.00
France.....	12,273	8,477	23,847	8.02
Italy.....	39,271	7,723	68,800	5.62
Japan.....	7,360	2,960		
Total Imports.....	68,030	30,791	122,159	
Estimated production in United States.....	83,550	102,000	75,000	

Imports of Angora rabbit wool from Japan for January to March, 1949, inclusive: Total 5,800 pounds averaging \$4.31 per pound.

In section 22 of the Agricultural Adjustment Act you will find these words: "We said nothing about rabbits, we said Angora rabbit wool." But this is the language:

Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, or any price-support program * * * he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts.

* * * if the President finds the existence of such facts, he shall by proclamation impose such fees—

I shall not read further. We are not asking for anything except to be put in that category where the President has a right to go ahead and levy fees and say that while he is supporting the price he can charge these extra import fees which

would take care of the price-support expense of the angora rabbit wool.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely want to state for the record that that part of the bill to which I objected has been stricken from the bill. That was the part which would prohibit anyone who started in the tung-oil business after the enactment of this act from coming within the provisions of it. I objected to that because in my opinion, it was setting up a monopoly which could later, if the House saw fit, be carried into the raising of beef cattle, for example, or for the production of milk, or anything else. That was my objection. Since we are now considering the original bill as a result of the point of order which I made to the committee amendment, and since the amendment inserting honey in the bill has been adopted, the bill is substantially the same except that the monopoly section has been deleted.

Therefore I no longer have any objection to the bill.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. CRAWFORD. The gentleman has stated my objections to the bill. This bill proposed to confer a proprietary right to those now engaged in the production of tung nuts. Here was a critical item for which we depend on the Orient for 90 percent of our supply. With all the disturbed conditions in the Far East we should have 90 percent production in this country and depend on the Far East for not more than 10 percent. The bill just reversed the process. I hope when the bill comes back from conference it will not have that language reinstated which was stricken.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the distinguished gentleman from Mississippi.

Mr. COLMER. Mr. Chairman, in view of what has transpired here, I want to call the attention of the Members to the fact that the original bill, as introduced by me and others, had no such provision for limitation in it. But the committee in its wisdom saw fit to limit the protection, and for what seemed a good reason, I must confess.

But I want to say that personally, so far as I am concerned, as the author of the bill, I am very delighted with the action of the committee.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. JAVITS. Mr. Chairman, I think it should be called to the attention of the Committee of the Whole that in all this maneuvering flexible parity has been stricken out and we now have fixed 90 percent parity in this bill, a principle to which I am thoroughly opposed, but which apparently the committee of this House was opposed to, and I believe that the fair thing to those who voted for the rule is to let this bill go back to committee, to be recommitted, to be brought back with a flexible parity provision in it instead of taking advantage of this parliamentary situation by leaving this

high 90 percent fixed parity in the bill, which the committee never intended and which no one who voted for the rule intended.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Will the Chairman advise as to what is now in the bill and what is out, so we will know what we are doing?

The CHAIRMAN. The part that is printed in roman.

Mr. HOFFMAN of Michigan. All the italics is out?

The CHAIRMAN. All the italics is out. That printed in roman type with lines through it is in the bill.

Mr. COOLEY. Mr. Chairman, I move that all debate on the bill do now close. The motion was agreed to.

The CHAIRMAN. Under the rule, the Committee will now rise.

Accordingly the Committee rose; and Mr. MONRONEY having assumed the chair as Speaker pro tempore, Mr. MCSWENEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 29, pursuant to House Resolution 289, he reported the same back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER pro tempore (Mr. MONRONEY). Under the rule, the previous question is ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. JAVITS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. JAVITS. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion offered by the gentleman from New York.

The Clerk read as follows:

Mr. JAVITS moves to recommit the bill to the Committee on Agriculture.

Mr. COOLEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 86, noes 128.

Mr. JAVITS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and fifty Members are present, a quorum.

Mr. JAVITS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Chair announced that the yeas appeared to have it.

Mr. JAVITS. Mr. Speaker, on this vote I demand the yeas and nays.

The yeas and nays were refused.

So the bill was passed.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that the title of the bill (H. R. 29) be amended to read as follows: "A bill to provide price support for tung nuts and honey, and for other purposes."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WAGNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Polish-American Journal of June 30, 1949, by Ludwik Lesnicki.

Mr. RODINO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. LODGE asked and was given permission to extend his remarks in three instances in the Appendix of the RECORD and include extraneous material.

Mr. SIKES asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. DAVENPORT asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. McCULLOCH asked and was given permission to extend his remarks in the RECORD and include an editorial.

SPECIAL ORDER TRANSFERRED

Mr. HORAN. Mr. Speaker, I received unanimous consent to address the House today for 20 minutes. I ask unanimous consent that that permission be transferred to tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ANNOUNCEMENT

Mr. DAVENPORT. Mr. Speaker, I was unavoidably detained in Pittsburgh and was not here to vote on the bill (H. R. 5598) to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct." Had I been present, I would have voted "aye" on this bill.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Mexico [Mr. FERNANDEZ] is recognized for 20 minutes.

NAVAJO-HOPI REHABILITATION BILL

Mr. FERNANDEZ. Mr. Speaker, John Collier has wired the conferees on the

Navajo-Hopi rehabilitation bill, urging that they eliminate from the bill section 9, which makes the Navajos and Hopis, with certain important limitations, subject to the laws of the States wherein they reside, and which gives them access to the State courts for the enforcement of their rights and the redress of wrongs.

I dislike the necessity of talking about Mr. Collier, because, although many of us in Congress have for years disagreed with many of his views on Indian matters, there is no doubt but that he is utterly sincere in his interests and devoted to the cause of the Indians. He was Commissioner of Indian Affairs for more than a decade—from 1933 to 1945—and had been for more than a decade a student and critic of Indian affairs administration. Because of his vast knowledge on this subject, he is entitled to careful consideration when he speaks on such matters.

COLLIER HAD HIS CHANCE

Never in the history of Indian administration has one man been given for so long a period so much control and so great authority over the administration of Indian affairs, with so little progress in the assimilation and integration of Indians, as in the case of Mr. Collier; and no man ever displayed more courage in the administration of Indian affairs than Mr. Collier did during his term, courage so amazing, it appeared to many of us to be almost foolhardy. So far as the Navajos are concerned, the results have proved it was quite foolhardy.

Mr. Collier undertook to remake and reshape the Navajo reservation, and its life, to the model he had for years envisioned, and in so doing he had almost complete autocratic power with no rein to check him. The Navajo had no recourse whatever to the State courts, and no means to appeal to the Federal courts to protect himself, even if he had the legal right, which is doubtful.

For years Mr. Collier had directed the attention of the Nation to the Navajo reservation through his brilliant articles. Writing in the January, 1924, issue of *Sunset Magazine*, he called attention to the existence of "eleven hundred thousand sheep and goats" and "300,000 semi-wild horses and burros." He expressed amazement that this number of stock could be grazed there, when in portions of the reservation because of lack of drinking water, there were mile after mile of "prairie grass, knee-high," unused. Complaining bitterly, he pointed out:

Obviously 300,000 deteriorated horses and wild burros are a luxury, not a necessity, for 36,000 Navajos, but the attempts to reduce their number have been ineffective.

As Commissioner, he got the opportunity of doing something about it, and with the kind of power and courage I have referred to, he succeeded marvelously. Along with horses and burros, he considered the goat the greatest offender in overgrazing, and within a few years he had killed or removed nearly every goat, the only supply of milk the Navajos had, but failed to provide in lieu of it any other source of milk supply. According to the records, there was not a single milk cow in the reservation as late as 1946, the

year after he ceased to be Commissioner. Back in 1939, the Hopis had 4 dairy cows. By 1943, they had none. Over the protest of the Indians, he decimated all stock so ruthlessly that he set in motion a trend which has not yet been stopped. I do not know how many more than the 1,100,000 head of sheep and goats the Indians had at the time he took charge, but, as shown by the records, by 1939 these had been reduced to 789,936, and by 1946, there were only 524,339. By 1939, the Navajos had only 30,621 head of beef cattle, and by 1946 they had only 9,726. In 1947, it was admitted by the Indian Office at a hearing in the Senate that the reservation was now undergrazed.

COLLIER'S POLICY IN PART RESPONSIBLE FOR PRESENT PLIGHT

In lieu of the cabrito, produced from the goats for meat supply, they had recourse to the skinny, wild jack rabbit. Seeing one scampering across the prairie, the Indian would point and say, "Collier goat—all he left us." By that process, the grass-killing jack rabbit was also virtually exterminated—and this should be checked to Mr. Collier's credit, I presume.

But the Indian had to eat, and rabbits not being sufficient, he had to begin wringing the necks of the chickens that produced his eggs. By 1939, according to the records, they had 3,752 chickens in the reservation; by 1940, these were reduced to 1,735; by 1944, they had been reduced to 1,411; and by 1945, the year Mr. Collier left, they had none worth counting. The record shows zero under that heading.

This sudden and rash dislocation of his little economy forced the Navajo to slaughter his breeding ewes for food; it forced him to slaughter his sows, which he had been advised to breed for reproduction of food to supplement his diet. In 1944, they had, according to the record, 161 head of swine; by 1944, they had 109; and by 1945, they had none. Again the record shows zero under that heading. Not a pig, not a dairy cow, not a chicken in that vast reservation of 60,000 people by that time, so far as the records show. Mr. Collier had "seen his duty and done it," without regard for the economic forces he was setting in motion, and without adequate measures to counteract them. The trend has not yet been stopped.

Traveling along the highway, I witnessed a scene I dislike to describe, and would not do so if it were not necessary. A horse had been killed by an automobile, and a swarm of Navajos were skinning and quartering it for food.

I hate to say it, but there is no question that the plight of the Navajo people is in large measure traceable to the policies that Mr. Collier put into effect during his term of office. There was nothing the Indians could do. Their tribal courts, such as they are, could not help them, and they had no access to the State courts. Had they had such rights as other American citizens have to protect their property, some curb could have been put to this fanatic zeal. Unquestionably, adjustment in the grazing practices of the Indians was necessary and vigorous methods were required, but

it could and should have been done through more gradual and democratic processes so as not to completely dislocate the Indian economy.

The same thing is true with respect to other policies which he put into effect in the reservation such as the day-school program into which millions of dollars were sunk with tragic futility. There is no time to go into that fiasco now, and it is unnecessary, for the Department has acknowledged its woeful mistake and has asked for a reversal of that policy in the present program.

SEGREGATION OR ASSIMILATION—WHAT IS THE OBJECTIVE?

Commissioner Collier believed he had a keen insight into the culture, life, and aspirations of the Indians in general, and the Navajo in particular, and said so in eloquent and convincing language over and over again before and after he became commissioner. He believes the Indians want, and he wants them, to be a little nation within a nation; he believes they desire to remain unassimilated Indians, proud of their ways and of their heritage; and he based his policies and he now bases his views on these facts which he has reiterated so often he really believes them. But others do not agree with him so readily. Davida Woener, in her book, *Education Among the Navajos*, at page 172, states:

There have been those who have mocked the policy of teaching an Indian to be an Indian, and who have asked Commissioner Collier what he intended to convey when he said that the Navajo Indians must be returned to their savage dignity as a people. When Commissioner John Collier wrote that he would cherish the way of the Navajo, eschets, adventurers, gamblers, sportsmen, and nature mystics—men without the peasant's submissiveness to work, or the bourgeoisie idolatry toward it, he was answered by Mr. Matthew K. Sniffen that this was an almost fanatical misconception of Indian life and culture. Indeed, the essence of the Navajo philosophy has been that everything is hard to get, even the little things, and that if you're lazy you can't get anything.

In furtherance of his solicitude for returning Indians to the savage dignity as a people and to the splendor of esthetic starvation, years after he had deplored the lack of industry and economy in the Navajo Reservation, an order was promulgated by the Department of the Interior, which stands out as a monument to this sentimental balderdash. The order fairly reflects the thinking and the style of Commissioner Collier, who undoubtedly wrote it. It is described in a book entitled "Primer of Navajo Economic Problems," prepared by Dr. George A. Boyce, Director of Schools, Navajo Service, at pages 116 and 117:

In the fall of 1937 the Secretary of the Interior issued an order declaring certain tracts in the United States to be known as roadless and wild areas. The following quotations from that order tell the purpose of those areas:

"Mechanization is growing in America with unprecedented acceleration. Activity after activity which for countless generations have been performed directly by manpower, and area after area which have been subject only to the forces of nature are now dominated by machinery. To millions of Americans this constitutes an unmitigated blessing.

"There are other millions who, while they appreciate the good which the machine can bring, also have an intense craving for another type of existence. They do not see why their life must be lived entirely in the world of machinery when there is ample space in this great country for another world as well. They cannot believe that with vast stretches which need not be used for the mechanical activities of our civilization, it is necessary to make every nook and corner of the country a part of the machine world and to wipe out all sizable traces of the primitive.

"From the standpoint of the Indians it is of special importance to save as many areas as possible from invasion by roads. Almost everywhere they go the Indians encounter the competition and disturbances of the white race. Most of them desire some place which is all their own. If, on reservations where the Indians desire privacy, sizable areas are uninhabited by roads, then it will be possible for the Indians of these tribes to maintain a retreat where they may escape from constant contact with white men.

"Consequently, I am establishing the policy that existing areas without roads or settlements on Indian reservations should be preserved in such a condition, unless the requirements of fire protection, commercial use for the Indian's benefit, or actual needs of the Indians clearly demand otherwise.

"Under this policy I hereby order that the following shall be established as roadless areas on Indian reservations:

"Three of these areas are on the Navajo Reservation, as follows:

"(1) Rainbow Bridge, 1,590,000 acres, including the northern portion of Kaibito district and adjoining Navajo Mountain district (district 2).

"(2) Black Mesa, 820,000 acres to the southeast of district 1.

"(3) Painted Desert, 525,000 acres to the south of district 1.

"Within the boundaries of these officially designated roadless and wild areas it will be the policy of the Interior Department to refuse consent to the construction or establishment of any routes passable to motor transportation, including in this restriction highways, roads, truck trails, work roads, and all other types of way constructed to make possible the passage of motor vehicles, either for transportation of people or for the hauling of supplies and equipment. Foot trails and horse trails are not barred. Superintendents of reservations on which roadless and wild areas have been established will be held strictly accountable for seeing that these areas are maintained in a roadless condition."

I asked Mr. Zimmerman at page 119 of the hearings on this program when it was before the Senate committee of the Eightieth Congress on S. 2363 last year, whether this order was still in effect, and his answer was, "So far as I know; yes."

Today it is admitted on all hands that these vast expanses of roadless reservation stand in the way of the progress of the Indians, and the Department asks \$20,000,000 to build roads.

Let me quote again from Davida Woerner's book, *Education Among the Navajos*, and from the same page 172:

In October 1940 an anthropologist and coordinator in the Indian Service, Dr. Willard W. Hill, published untechnical comments on Navajo political structure with the hope that they would lead to a better understanding of the problems which administrators face. He pointed out that politically a Navajo tribe does not exist and that the Navajo have never functioned as a unit in concerted

action. What cohesiveness occurs is due to a common linguistic and cultural heritage, to the occupation of a defined territory, and to a common designation for themselves * * * people. Dr. Hill found, also, that never have all of the Navajo been brought, even temporarily, under the leadership of a single individual or group for a common purpose. In part, this accounts for the Navajo failure to accept the fundamental principles of the new Indian policy, a policy which assumed above all else that Indian tribes had political cohesion and unity of action.

Notwithstanding that the Indians, despite Collier's pressure, voted overwhelmingly against their coming under the Wheeler-Howard Act, they were forced into that pattern of self-government, and Mr. Collier still insists that they should be permitted and required to govern themselves as a segregated little nation within a State. It is with this policy that I cannot agree, and I do not believe that the majority of the Congress agrees with any such policy. Because they do not agree, Mr. Collier became increasingly unpopular in the halls of Congress, and the unpopularity of his programs and policies has caused immeasurable harm to the Indians everywhere.

In my opinion, the Congress is demanding a policy of assimilation, a policy that will make the Indian as an individual, a self-respecting, self-sufficient American citizen with the same rights and obligations as other American citizens. Congress does not want them segregated into, and perpetuated as little nations within a nation.

This is indicated by the fact that in 1924 Indians were given full citizenship; that in all States, including New Mexico and Arizona, the Indians have acquired and exercised the right to vote; and that in this last war they were required to bear arms in the defense of their country.

When Mr. Collier insists that the Navajo Reservation, a group of 60,000 Indians, be denied their rights as citizens of the State and that they govern themselves and administer the enforcement of law and order in that vast reservation by themselves, he is doing them a disservice.

Furthermore, it is utterly ridiculous. In McKinley County, N. Mex., the Navajo voters are so numerous in proportion to the non-Indian voters that they could probably elect one of their own as sheriff, yet he would be administering laws to which he owes no allegiance. In each precinct they can elect one of their own as justice of the peace, yet he would be administering laws to which neither he nor any other resident of the precinct, outside of the trader, his family, and employees, would be subject. As voters, they have the right to serve as jurors and try cases under State laws to which they are not subject. It is fundamental that Indians cannot be good citizens of the Nation in the full sense of the word unless they are also good citizens of the State.

I have said that in view of his experience and background Mr. Collier's objections should be given careful consideration. Let us examine them in detail, and in order to better understand them, let me first read the section of the bill

to which they are directed. That section reads as follows:

SEC. 9. From and after the effective date of this act, all Indians within the tribal or allotted lands of the Navajo and Hopi Reservations shall be subject to the laws of the State wherein such lands are located, and shall have access to the courts of such State for the enforcement of their rights and the redress of wrongs to the same extent and in the same manner as any other citizen thereof: *Provided, however*, That all classes and character of property now exempt from taxation shall continue to be and remain exempt from taxation by the State until otherwise provided by Congress; and that, until otherwise provided by Congress all Federal and tribal laws and regulations respecting the management, assignment, inheritance, or disposition of lands shall be recognized and enforced where such laws or regulations are in conflict with State laws: *Provided further*, That nothing herein contained shall be construed as authorizing the State to interfere in any manner with the administration of the school system as provided and administered by the Federal Government for such Indians, except that the respective State school curricula shall be installed and followed in the Navajo schools so far as feasible: *And provided further*, That nothing in this act provided shall be deemed to impair the terms and obligations of any existing statute or treaty between the United States Government and the said Indians, nor take away the jurisdiction now exercised by the Federal Government or the tribes, but in all cases the jurisdiction of the State, the Federal, and the tribal courts shall be concurrent.

COLLIER'S OBJECTIONS

I do not have an exact copy of the statement sent by Mr. Collier to the conferees, but I shall quote his objections from the Associated Press release carried by the press on July 20, 1949:

The former Indian Commissioner based his opposition to the State law amendment (section 9 in the bill) on four factors:

"1. The Navajo Council endorsed section 9 under conditions of very dubious persuasiveness. The Hopi pueblos have not endorsed it, have not been consulted at all and when informed certainly will oppose it.

"2. The Navajo Tribal Council acted under belief the entire program hinged on its approval of the amendment.

"3. Nothing but confusion and conflicting precedents would ensue. Headmen, principal men, priests, tribal courts, and administrators would be frustrated and palsied, and the development of effective self-governing institutions in the tribes would be aborted.

"4. The Navajo-United States treaty asserts and implies Federal law and Federal jurisdiction exclusively. The organic acts of the several States contain express guarantees of exclusive Federal jurisdiction."

Collier asserted that every appropriation authorized in the bill is already fully authorized under existing law.

It will be observed from the last paragraph of the press statement that Mr. Collier is opposed to the entire bill. With difficulty I restrain myself from further comment about that, but shall do so since it is not pertinent to the question under discussion.

Taking up first the two objections to section 9; first, that the Hopi pueblos "have not been consulted at all and when informed certainly will oppose it," and, second, that the Navajo Council endorsed it "under belief the entire program hinged on its approval of the

amendment," it is my understanding that the Hopis are aware of the amendment, which later became section 9 of the bill and which was given great publicity in that area for 2 months, and have so far expressed no objection. In discussing the amendment when it was first under consideration, Mr. Collier's former colleagues and assistants in the Indian Office were quite clearly of the opinion that the Navajos would object to the amendment, and requested from the chairman of the committee opportunity to submit it to the annual council meeting which was to be held a few days hence. They were quite surprised when the Indian Council voted overwhelmingly in favor of the amendment. Had the Hopi Indians a governing body—which they have not—to whom the amendment could be submitted, Mr. Collier might likewise get the surprise of his life.

Before proceeding further, let me point out the further fact that the Hopis are a small group of about 4,000 people completely surrounded by the Navajos, who overlap into their little reservation. In fact, no one seems able to agree on where the boundaries of the Hopi Reservation really are. Consequently, if the Navajos are made subject to the State laws, the Hopis should be also; if the Navajos are not, then the Hopis should not. Otherwise, it would be difficult to determine whether the State had or had not jurisdiction of acts occurring on the disputed land, which is considerable, just as in allotted lands in New Mexico now it is necessary to have a surveyor to determine whether an act has taken place on allotted or State lands, which are interspersed, and which has resulted in no law enforcement at all. Had Collier been Commissioner, he would have insisted on a plebiscite of the Hopis, another of those futile acts which only lead to unrest and suspicion.

These two reservations have grown into each other through the years, despite the omnipotence of Mr. Collier, and I now pose a question to him: Which tribe has jurisdiction of acts between a Hopi and a Navajo, say an assault and battery case? In this area as in the allotted lands, section 9 would solve the riddle.

I think it is quite in order also to ask Mr. Collier if he consulted either the Navajos or the Hopis before assuming to speak for them in opposition to this provision. He has not, and he could not if he tried. The courage of his convictions, about which I spoke, has made him very much persona non grata in both reservations.

The amendment was suggested by me in my testimony before the House committee, and although it had support from some of the members of the committee, other members and the chairman as well as the Indian Office expressed fear that the adoption of the amendment might be misunderstood and might endanger the passage of the bill. No one, therefore, had ever expressed any opinion that the bill was dependent on the

amendment as suggested by Mr. Collier, but quite the contrary.

If anything, the Navajos voted in support of the amendment at the risk of endangering the whole program, so positive are the majority of the Navajos that it is not only desirable but necessary for the future welfare of the Navajos.

MANNER IN WHICH AMENDMENT WAS PRESENTED

The Navajo Council met on Wednesday, June 8. Dr. Nichols, the present Indian Commissioner, in whom both Indians and non-Indians have great confidence, presented the matter to them, and from all reports I get, he did so in a most fair and objective manner. On that day he presented the provisions of the bill to the Indians, and bear in mind that section 9 was not then a part of it. He also discussed the amendment separately, and requested their views on it. The local daily carried big headlines, as follows: "Nichols claims funds for rehabilitation hasn't any strings." Under that the paper quoted Dr. Nichols as saying to the council:

"I think those people—

The Congress—

have been finally convinced that the Navajo reservation will not support 61,000 people and they must do something to help," said Commissioner Nichols. "I think they will do it with a spirit of generosity.

"The average white American has a little feeling of guilt toward the Indians. They know the Indians once owned the whole country. Now they have only small reservations. And they want to do what they can to see that no one is sick or starves in America.

"So I wouldn't be afraid they will want anything in return for this \$90,000,000—if you can get it."

The paper does not quote the words used in presenting the amendment to the Indians, but from all reports I get, he did so fairly and objectively. It was explained that I had suggested the amendment to the committee, and so it became known there as the Fernandez amendment, although I am not a member of the committee. The Indians, of course, already knew that I advocated such a provision, as I have said so publicly and among groups of Indians who have talked to me about their need for the right to go into the State courts. They have complained to me that they cannot get justice in the tribal courts, and on matters over which the Federal courts have no jurisdiction they are helpless. They have often complained of crime and the lack of law enforcement.

My understanding is that Dr. Nichols, in presenting the amendment to the Navajo Council, expressed no opinion to them as to whether it was a desirable amendment or not, until a member of the Council pressed him for his opinion. I quote from the press report:

In answer to a question from one of the councilmen he—

Dr. Nichols—

said he was opposed to the amendment because he feared it would result in confused jurisdiction.

Whereupon, according to the newspaper reports, "Council Chairman Sam

Ahkeah said the proposed amendment was 'words for a lawyer,' and asked the Council to delay action until it could be discussed with their own counsel, he not being present at the time.

NAVAJO APPROVAL OF SECTION 9

The amendment was taken up by the council again on Thursday, June 9, with their lawyer present, and was thoroughly discussed that afternoon and that night. Objection was voiced by them to that portion of the amendment which exempts schools from State jurisdiction. They wanted even the schools to be under State law. It was pointed out to them that this was not possible since the Federal Government financed and administered the schools. They withdrew their objection on condition that the words "except that the respective State school curricula shall be installed and followed in the Navajo schools." They also requested the interpolation of words to the effect that nothing in the act should "be deemed to impair the terms and obligations of any existing statute or treaty between the United States Government and the said Indians." The council then voted 37 to 20 in favor of the amendment, and they sent me a telegram so stating and requesting that I include the statements proposed by them in my suggested amendment, which was done, and the committee approved that amendment and made it a part of the revised bill.

There is nothing, therefore, to justify Mr. Collier's assumption that the Indians were led to believe that they had to approve this amendment. The attitude of the commissioner who formally presented the proposed bill to them was to the contrary. They approved it notwithstanding the fact the commissioner did not favor it.

The Indians have often, and bitterly, complained of the lack of law enforcement in the reservation and of the system of schools provided by the Government. These same complaints were openly aired at the council meeting as reflected by the press reports of June 9, which I quote:

Members of the Navajo Tribal Council yesterday made it clear to Indian Commissioner John R. Nichols, that they wanted accredited schools on the reservation and enforcement of the law and order code. Several of the councilmen also declared the Navajo people would boycott the Watkins Navajo Institute being established at Brigham, Utah, at the former Bushnell General Hospital, as long as the new school is headed by Dr. George A. Boyce, former director of Navajo education.

The objection to Boyce was based on the Navajo education program which the councilmen said attempted to teach Navajo children to read the Navajo language rather than emphasizing the speaking and use of English.

The Navajo Indians are notoriously individualistic. They have been forced by circumstances of the Indian Office to accept tribal government, but they want to be good American citizens, they want to be one of us in the State, and they want to take part as citizens of the State. This is being denied them under the policies advocated by such influential men as John Collier.

STATE JURISDICTION IN AID, NOT IN DEROGATION
OF PRESENT JURISDICTION

His third objection is that "nothing but confusion and conflicting precedents would ensue," and that "headmen, principal men, priests, tribal courts, and administrators would be frustrated and palsied, and the development of effective self-governing institutions in the tribes would be aborted."

I am wondering what priests Mr. Collier is talking about. I can imagine the snicker of amusement which lighted the faces of the Indians when they read that in the Gallup Daily News. Maybe he got his tribes confused. He was speaking seriously, I am sure, but our Navajo Indians have quite a sense of humor.

I looked up the word "palsied" in the dictionary and find it to be, "infirmity in action; inefficiency; as the 'palsy of the administration.'" If that is what he meant, every trader and every Indian in the reservation knows that the tribal courts and the present administrators of law and order in the reservation are palsied already. State jurisdiction could not possibly make them any more so.

I do admit that they would be, in a sense, frustrated—frustrated in the desire of the tribal courts and administrators to be supreme. The Indian as an individual now has no recourse at all against the many little injustices perpetrated on him daily without any appeal whatsoever. That is not my complaint; it is the complaint of the Indians, especially the younger generation.

Self-governing institution in the tribes has been the dream of Mr. Collier, and if he were not such a stubborn man he would readily admit that his experiment, so far as law and order and the protection of the individual rights of the Indian are concerned, is a total failure.

To develop and strengthen tribal institutions in the management of the communal lands may be worthy of the effort; but insofar as they are intended to function in the enforcement of law and order and the government of the Indian citizens as such, they do not square up with our American ideals of justice. We would never permit arbitrary and dictatorial government over any white people. If it is not good for us, then why insist on requiring the Indians to stomach that kind of government. Given half a chance the Indians themselves will square their tribal government with democratic processes under State law.

This amendment does not take away their tribal government or their tribal jurisdiction; it merely gives them the additional aid of the State jurisdiction, just as a municipality may have its own municipal government and municipal code, but with its citizens subject also to the State laws and the State jurisdiction.

The amendment does give the Indian redress to the State courts, and does make it at least possible for him to obtain the writ of habeas corpus when illegally detained, and writs of mandamus, prohibition and injunction when and if he needs them for his protection from arbitrary acts of the tribal courts. The amendment also makes it possible for the State to step in when there is a flagrant

violation of the law which is ignored in the reservation.

There has been some fear expressed that the State courts might be a bit harsh on the Indians who commit an act violative of the State laws but which they think is all right as an Indian custom. My experience as a prosecutor is that juries and the State courts are, if anything, overlenient when an Indian finds himself in trouble. That was demonstrated right there in Gallup, 25 miles away from the scene of the Council meeting. An Indian outside the reservation was caught doing what would have sent a white man to the penitentiary without mercy. After trial he came up for sentence before Judge James B. McGhee, one of the strictest judges in the State. I quote without comment, the press report on the case:

Roy Hill, 29, found guilty of rape of a minor on July 1, 1947, was given a suspended sentence of 2 to 3 years with admonition from the bench that "Indians who choose to live off the reservation must abide by the laws set up by the white man."

Hill, a Navajo, presented a defense based on the Navajo custom that a man marrying a widow also marries her oldest daughter.

DOES THE TREATY REQUIRE FOREVER EXCLUSIVE
FEDERAL JURISDICTION?

Mr. Collier's fourth and last objection weakens his case, in that resort to it demonstrates the paucity of his arguments. He says that "the Navajo-United States treaty asserts and implies Federal law and Federal jurisdiction exclusively." If the treaty asserts it, why should it be implied. Mr. Collier knows no such thing is asserted by the treaty; and there is no reason for its being implied. The treaty was entered into when all that land was wild Indian country and solely a territory of the United States. The clause of the treaty to which he no doubt refers is the concluding part of article II of the treaty, which reads as follows:

The United States agrees that no persons except those herein so authorized to do and except such officers, soldiers, agents, and employees of the Government or of the Indians as may be authorized to enter upon the Indian reservation in discharge of duties imposed by law or the orders of the President shall ever be permitted to pass over, settle upon, or reside in the territory prescribed in this article.

This provision of the treaty signed back in the 1860's, was to give the Indians explicit assurance in those land-grabbing warfaring days that no white settlers would be permitted to squat on the reservation or to molest the Indians in their occupation of the land assigned to them. It has no bearing on what their relations would be with the State government which was not organized until half a century later. These treaties must be interpreted in the light of history and in relation to the problem then being settled.

Assuming, however, that it did assert exclusive Federal jurisdiction, surely Mr. Collier would not let a treaty stand in the way of granting the Indians, parties to the treaty, their desire to be full citizens of the State, insofar as it is possible, by submitting their persons to the jurisdiction of the State, especially when that desire has been expressed by majority

vote of the self-governing institution he so much admires—the tribal Council. He did not let the treaty stand in the way of stepping in and confiscating the milk goats of the Indians, over their protests. The Congress did not let the treaty stand in the way of vesting State citizenship on the Indians—or did we vest that? Is not that why they are entitled to vote? The Congress did not let the treaty stand in the way of requiring the Navajos to bear arms.

As to the organic acts of the several States containing "express guaranties of exclusive Federal jurisdiction," such guaranties have reference to the lands occupied by Indians or Indian tribes. It has nothing to do with the Indians as individuals. Section 9 permits such exclusive jurisdiction to continue insofar as those lands are concerned. As I say, such guaranties have nothing to do with the Indians as individuals, unless interpreted as withdrawing such lands from the territory comprising the State so as to prevent the reservation from being a part of the State.

If the treaties and the compacts contained in the various State constitutions with respect to the land are to be interpreted as withdrawing the land from the territory of the State so that they do not constitute any part of any political subdivision of the State, that might lend force to Mr. Collier's argument. I will say this in his favor, that he is consistent in that it was with his acquiescence that Indians within reservations were not at first considered as coming within the social-security laws of the State. Certainly, if those provisions withdraw their reservation from the territory comprising the State, they are not entitled to be considered as being within a political subdivision of the State and would not be entitled to social security.

The fact is that Indians have long ago ceased, for all purposes, to be independent little nations, and everybody, including the Indians, who claim rights as State citizens are fully aware of that—everybody except Mr. Collier. As Indian Commissioner for 12 years he has had his chance of translating his theories into policies and of putting them into practice. The Congress, the country, and the Indians have had enough of that. It is time that we took some positive steps toward the final assimilation, education, and rehabilitation of the Indians as real citizens rather than perpetuate their segregation to the point of absurdity.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BURTON, for Tuesday, August 2, on account of official business.

To Mr. DEANE (at the request of Mr. COOLEY), for an indefinite period, on account of official business.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5238. An act to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on August 1, 1949, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1288. An act for the relief of certain officers and members of the crew of the steamship *Tatyan*;

H. R. 1466. An act for the relief of Daniel Kim.

H. R. 1472. An act for the relief of the Olympic Hotel;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa;

H. R. 2850. An act for the relief of Denise Simeon Boutant; and

H. J. Res. 329. Joint resolution amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Wednesday, August 3, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

818. A letter from the Secretary of State, transmitting the fourteenth and final report of the Department of State regarding the disposal of United States surplus property in foreign areas, pursuant to the Surplus Property Act; to the Committee on Expenditures in the Executive Departments.

819. A letter from the Acting Secretary of the Treasury, transmitting the Annual Report of the Federal Bureau of Narcotics, for the calendar year ended December 31, 1948; to the Committee on Ways and Means.

820. A letter from the Acting Secretary of the Treasury, transmitting the Twentieth Quarterly Report on War Contract Terminations and Settlements, covering the period for April 1 through June 30, 1949; to the Committee on the Judiciary.

821. A letter from the Secretary of the Navy, transmitting a report showing claims for damage caused to United States naval vessels settled for the fiscal year 1948-49, pursuant to the act of December 5, 1945; to the Committee on the Judiciary.

822. A letter from the Secretary of the Navy, transmitting a report showing a list of claims for damage caused by naval vessels settled for the fiscal year 1948-49, pursuant to Public Law 417, approved July 3, 1944; to the Committee on the Judiciary.

823. A letter from the Secretary of the Interior, transmitting copies of certain legislation passed by the Legislative Assembly and the Municipal Council of St. Croix; to the Committee on Public Lands.

824. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Shrewsbury River, N. J., with a view to improving the north branch of Blossom Cove and modifying the project for the south branch of the Shrewsbury River, requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted on February 1, 1946, and March 5, 1946 (H. Doc. No. 285); to the Committee on Public Works and ordered to be printed, with two illustrations.

825. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration on a review of reports on San Francisco Harbor and Bay, Calif., requested by a Resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on June 28, 1946 (H. Doc. No. 286); to the Committee on Public Works and ordered to be printed, with an illustration.

826. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration on a preliminary examination and survey of Hudson River, Fla., authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 287); to the Committee on Public Works and ordered to be printed, with an illustration.

827. A letter from the Attorney General, transmitting a letter relative to the case of Gulezar Tarpinian nee Derderian, file No. A-1061965 CR 23340, and requesting that it be withdrawn from those now before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

828. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950, in the amount of \$3,000,000 for the National Capital Sesquicentennial Commission (H. Doc. No. 288); to the Committee on Appropriations and ordered to be printed.

829. A letter from the Under Secretary of Agriculture, transmitting a report on co-operation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of May 1949; to the Committee on Agriculture.

830. A letter from the Comptroller General of the United States, transmitting a report of the activities of the General Accounting Office under section 16 of the Contract Settlement Act of 1944; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REED of New York: Committee on Ways and Means. H. R. 5831. A bill to exempt certain volatile fruit-flavor concentrates from the tax on liquors; without amendment (Rept. No. 1159). Referred to the Committee of the Whole House on the State of the Union.

Mr. HEFFERNAN: Committee on Armed Services. H. R. 210. A bill to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes; with an amendment (Rept. No. 1160). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. H. R. 4315. A bill to authorize the Secretary of the Army to proceed with construction at stations of the Alaska communication system; with an amendment (Rept. No. 1161). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. H. R. 5342. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment to the Boy Scouts of America for use at the Second National Jamboree of the Boy Scouts; without amendment (Rept. No. 1162). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 5368. A bill to authorize the

Departments of the Army, Navy, and Air Force to participate in the transfer of certain real property or interests therein, and for other purposes; with an amendment (Rept. No. 1163). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services House Joint Resolution 230. Joint resolution authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of St. Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy; without amendment (Rept. No. 1164). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Education and Labor. H. R. 4453. A bill to prohibit discrimination in employment because of race, color, religion, or national origin; with an amendment (Rept. No. 1165). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FURCOLO:

H. R. 5852. A bill to provide for loans to enable needy and scholastically qualified students to continue post high school education; to the Committee on Education and Labor.

By Mr. RANKIN (by request):

H. R. 5853. A bill to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans; to the Committee on Veterans' Affairs.

By Mr. GRANAHAN:

H. R. 5854. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. RAMSAY:

H. R. 5855. A bill to provide for a grant to the Prisoners Relief Society for use in the rehabilitation of chronic alcoholics; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 5856. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Education and Labor.

By Mr. CROSSER:

H. J. Res. 331. Joint resolution directing the Civil Aeronautics Board to investigate and report to Congress with respect to problems related to the separation of the payment of compensation for services rendered in transporting mail by aircraft from the payment of subsidies to air carriers; to the Committee on Interstate and Foreign Commerce.

By Mrs. NORTON:

H. J. Res. 332. Joint resolution providing for the establishment of a Joint Senate and House Recording Facility; to the Committee on House Administration.

By Mr. HERTER:

H. Con. Res. 117. Concurrent resolution extending good wishes to former President Herbert Hoover; to the Committee on House Administration.

By Mr. O'HARA of Illinois:

H. Con. Res. 118. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. HESELTON:

H. Res. 307. Resolution to direct the Committee on Interstate and Foreign Commerce to recommend a national fuel policy; to the Committee on Rules.

By Mr. LESINSKI:

H. Res. 308. Resolution providing for the consideration of the bill (H. R. 4453) to prohibit discrimination in employment because of race, color, religion, or national origin; to the Committee on Rules.

By Mr. HOBBS:

H. Res. 309. Resolution relating to the presence of a quorum in committees and subcommittees of the House; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. ANDREWS:

H. R. 5857. A bill to provide for the conveyance of a certain war housing project to Tuskegee Institute, Tuskegee, Ala.; to the Committee on Banking and Currency.

By Mr. CHURCH:

H. R. 5858. A bill for the relief of J. Alfred Pulliam; to the Committee on the Judiciary.

By Mr. CLEMENTE:

H. R. 5859. A bill for the relief of Simone Papillo; to the Committee on the Judiciary.

By Mr. DEWART:

H. R. 5860. A bill authorizing the Secretary of the Interior to issue a patent in fee to Frank Phelps; to the Committee on Public Lands.

By Mr. JONES of North Carolina:

H. R. 5861. A bill conferring jurisdiction upon the United States Court for the Western District of North Carolina to hear, determine, and render judgment upon the claim of Paul Rose, Jonas Ridge, N. C.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1370. By Mr. DAGUE: Petition of home-makers of Lititz, Pa., in support of H. R. 2428 known as the Bryson bill to prohibit advertising of liquor through newspapers and radio; to the Committee on Interstate and Foreign Commerce.

1371. By the SPEAKER: Petition of International Association of Machinists, Washington, D. C., relative to urging the Congress to either lower the retirement age in the social-security law or act to protect older workers against unfair and unjust discrimination because of age; to the Committee on Ways and Means.

1372. Also, petition of Civitan International, Birmingham, Ala., relative to being placed on record as being in complete accord with, and as giving unqualified support to the Hoover plan for Government reorganization; to the Committee on Expenditures in the Executive Departments.

1373. Also, petition of Texas State Branch, National Association of Postal Supervisors, San Antonio, Tex., relative to commending the officials of the Post Office Department, our National and State officers, and our Senators and Congressmen for their efforts in enacting beneficial legislation in our behalf; to the Committee on Post Office and Civil Service.

1374. Also, petition of Polish Falcons of America, Pittsburgh, Pa., relative to the western boundaries of Poland; to the Committee on Foreign Affairs.

1375. Also, petition of American Association of Social Workers, New York City, N. Y., relative to the coverage of social-security legislation; to the Committee on Ways and Means.

1376. Also, petition of Leon K. Sterling, Sr., clerk, city and County of Honolulu, Honolulu, T. H., relative to requesting the Congress of the United States of America to enact the necessary legislation exempting the Territorial and city and county pensioners from paying Federal income taxes; to the Committee on Ways and Means.

SENATE

WEDNESDAY, AUGUST 3, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Albert J. McCartney, LL. D., director of the Chicago Sunday Evening Club, Chicago, Ill., offered the following prayer:

God of the past, the present, and the future, as we assemble once again within these chambered walls, so vocal with the majestic voices of yesterday, we ask for the spirit of reverence, reverence for the very privilege of life itself, stamped as it is with Thy seal upon our inmost being, and vibrant with its manifold interests and its capacity for friendship. Give us a reverence in these tumultuous times through which we are passing, and in which in Thy providence we believe we have been called to high places of service and responsibility. Give us a reverence for one another, in thought, in speech, and gesture. May we be ever mindful of the anxieties and cares and burdens of one another. Give us reverence for the Government whose history and institutions it is our proud privilege to sustain. Remember our far-flung citizenry, scattered throughout the length and breadth of the land, and in distant parts of the earth. Especially do we pray for the million and more young men, mere lads that they are, in the military service of the Nation. Sustain all chaplains in whose hands rests the responsibility for the moral and spiritual welfare of these young men, far from home.

And now may we all address ourselves to the duties of this day with renewed reverence and zeal. In Jesus' name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 2, 1949, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 59) extending greetings to Hon. Herbert Hoover on his seventy-fifth birthday.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 29. An act to provide price support for tung nuts and honey, and for other purposes;

H. R. 219. An act to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed;

H. R. 322. An act to transfer funds to the town of Craig, Alaska;

H. R. 584. An act for the relief of Mike Clipper;

H. R. 695. An act for the relief of Mrs. Mary A. Bailey;

H. R. 733. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and

render judgment upon the claim of Frank Haegle;

H. R. 1020. An act for the relief of the legal guardian of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman;

H. R. 1097. An act for the relief of Edgar Barbre;

H. R. 1800. An act for the relief of Howard E. Giroux;

H. R. 1871. An act for the relief of Hilde Flint;

H. R. 2365. An act for the relief of the city of Chester, Ill.;

H. R. 2457. An act for the relief of Helen Morren;

H. R. 2921. An act for the relief of Nicholas C. Kalcoutsakis;

H. R. 3252. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek;

H. R. 3536. An act for the relief of Mrs. Nora Johnson;

H. R. 4040. An act for the relief of Agnes Tarjani;

H. R. 4042. An act for the relief of Konstantinos Yannopoulos;

H. R. 4411. An act for the relief of Mrs. Elizabeth Mary C. Mangle;

H. R. 4414. An act for the relief of Dora M. Barton;

H. R. 4564. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines;

H. R. 5019. An act for the relief of Fella H. Holbrook;

H. R. 5148. An act to confer jurisdiction upon the District Court for the Territory of Alaska to hear, determine, and render judgment upon the claim or claims of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska;

H. R. 5276. An act for the relief of Mrs. Julia (Iole) M. Stefani Lencioni;

H. R. 5525. An act for the relief of Mr. and Mrs. Richard E. Deane;

H. R. 5598. An act to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct"; and

H. R. 5831. An act to exempt certain volatile fruit-flavor concentrates from the tax on liquors.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Alken	Hendrickson	McMahon
Anderson	Hickenlooper	Magnuson
Baldwin	Hill	Malone
Brewster	Hoey	Martin
Bricker	Holland	Maybank
Bridges	Humphrey	Miller
Butler	Hunt	Millikin
Cain	Ives	Morse
Capehart	Jenner	Mundt
Chapman	Johnson, Colo.	Murray
Chavez	Johnson, Tex.	Myers
Connally	Johnston, S. C.	Neely
Cordon	Kefauver	O'Connor
Donnell	Kem	O'Mahoney
Dulles	Kerr	Pepper
Eaton	Kilgore	Robertson
Ellender	Knowland	Russell
Ferguson	Langer	Saltonstall
Flanders	Lodge	Schoeppel
Frear	Long	Smith, Maine
Fulbright	Lucas	Sparkman
George	McCarran	Stennis
Gillette	McCarthy	Taylor
Graham	McClellan	Thomas, Okla.
Green	McFarland	Thomas, Utah
Gurney	McGrath	Thye
Hayden	McKellar	Tobey